

Virgin Islands Broadband Office: BEAD Grant Subrecipient Management Policies, Procedures, and Processes

Introduction

The **Broadband Equity, Access, and Deployment (BEAD) Program** is a key initiative of the U.S. Department of Commerce under the **Infrastructure Investment and Jobs Act (IIJA)**. The Virgin Islands Broadband Office (VIBO) within the Office of Management and Budget will administer the BEAD funds to expand broadband access and affordability across the Virgin Islands. Effective subrecipient management is essential to ensure compliance, transparency, and the successful deployment of broadband infrastructure in the region.

This document outlines the policies, procedures, and processes for managing subrecipients under the BEAD Grant to ensure proper oversight, accountability, and efficient execution of the program.

1. Subrecipient Definition and Eligibility

1.1 Subrecipient Definition A **subrecipient** is any organization or entity that receives a portion of the BEAD grant funding from the Virgin Islands Broadband Office to carry out specific programmatic objectives, such as broadband infrastructure projects, digital equity programs, and other related initiatives.

1.2 Eligibility Criteria Eligible subrecipients must meet the following criteria:

- Be a non-profit, for-profit, governmental agency, or educational institution.
 - Have demonstrated capacity in broadband deployment, technology solutions, or digital equity initiatives.
 - Meet the requirements of the BEAD program as outlined by the U.S. Department of Commerce and the Virgin Islands government.
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2. Subrecipient Selection Process

2.1 Request for Proposal (RFP) Process

- **Issuance of RFP:** The Virgin Islands Broadband Office will issue RFPs (Notice of Funding Opportunity) to solicit proposals for non-deployment broadband programs and related services. All interested entities must submit proposals that demonstrate their capacity, experience, and approach to the project.
- **Evaluation Criteria:** Proposals will be evaluated based on the following key factors:

- **Technical Expertise:** Proposals must demonstrate technical expertise and experience in broadband infrastructure development and deployment.
- **Past Performance:** Applicants will be assessed on their prior success in managing similar projects, as well as their financial stability.
- **Cost-Effectiveness:** Proposals must provide a clear, cost-effective approach to meeting project objectives while adhering to timelines.
- **Alignment with BEAD Objectives:** The extent to which the proposal supports the key goals of the BEAD program, including broadband equity, accessibility, and community impact.

2.2 Subrecipient Selection and Awarding

- **Review and Scoring:** Proposals will be scored by a review committee consisting of technical and financial experts. Each applicant will be evaluated using a sub-recipient risk assessment and scoring rubric.
 - **Approval Process:** The VIBO will recommend subrecipients based on the evaluation scores, and the final approval will be granted by the appropriate government authority, ensuring compliance with all state and federal regulations.
 - **Subrecipient Agreement:** Successful applicants will enter a formal subrecipient agreement that outlines roles, responsibilities, deliverables, funding amounts, performance metrics, and compliance expectations.
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3. Subrecipient Agreement

3.1 Agreement Components Each subrecipient will be required to sign an agreement that will include:

- **Scope of Work:** Detailed descriptions of the tasks, deliverables, and timelines.
 - **Funding Allocation:** The total funding amount, payment schedule, and conditions for disbursements.
 - **Compliance Requirements:** Subrecipients must comply with applicable federal, state, and local laws, including BEAD-specific regulations and reporting standards.
 - **Performance Metrics and Evaluation:** Clear expectations for performance, including regular milestones, progress reports, and evaluation measures.
 - **Audit Rights:** VIBO reserves the right to audit the subrecipient's financial records, project implementation, and overall compliance with the terms of the agreement.
 - **Termination Clause:** Conditions under which the agreement may be terminated, including failure to meet objectives or compliance issues. Termination clause will trigger a clawback.
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4. Subrecipient Monitoring and Oversight

4.1 Financial Monitoring

- **Quarterly Financial Reporting:** Subrecipients will submit quarterly financial reports detailing the use of BEAD funds. These reports must follow Generally Accepted Accounting Principles (GAAP) and include a breakdown of expenses, including labor, materials, equipment, and administrative costs.
- **Reimbursement Procedures:** Subrecipients will submit reimbursement requests on a monthly or quarterly basis, supported by documentation such as receipts, invoices, and proof of payments.
- **Audit and Inspection:** VIBO will conduct regular audits to ensure the proper use of funds, with the right to request additional documentation to verify expenditures. Single Audits are required from all recipients who expend \$750,000.00 or more in aggregate federal financial assistance within their fiscal year.

4.2 Performance Monitoring

- **Progress Reports:** Subrecipients must provide quarterly progress reports to VIBO, outlining project milestones, achievements, and any challenges or delays encountered.
- **Site Visits:** VIBO staff will perform periodic site visits to assess project implementation and verify that work is progressing according to the scope of work outlined in the subrecipient agreement.
- **Deliverable Tracking:** VIBO will track deliverables and milestones against the original project plan to ensure that the work meets quality standards and is on schedule.

4.3 Compliance Monitoring

- **Compliance Checks:** VIBO will regularly review subrecipient operations to ensure adherence to federal and state regulations, including labor laws, environmental regulations, and accessibility standards under the BEAD program.
- **Corrective Action Plans:** If any compliance issues or performance deficiencies are identified, VIBO will require subrecipients to submit a corrective action plan to address the problem.

5. Capacity Building and Technical Assistance

5.1 Technical Assistance To ensure the success of subrecipients, VIBO will provide technical assistance, including:

- **Training:** Workshops on the BEAD program guidelines, reporting requirements, and compliance standards.
- **Project Management Support:** Guidance on best practices for program management, including planning, procurement, construction, and sustainability.
- **Stakeholder Engagement:** Support in engaging local communities and stakeholders to ensure projects are aligned with local needs and interests.

5.2 Capacity Building

- VIBO will assess the technical and administrative capacity of subrecipients prior to awarding funds and provide capacity-building support as needed.
 - Subrecipients will be encouraged to enhance their internal management and reporting systems to meet BEAD's rigorous compliance and performance standards.
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6. Risk Management

6.1 Risk Assessment VIBO will conduct a comprehensive risk assessment at the time of subrecipient selection, considering factors such as:

- Financial stability and past performance of the subrecipient.
- The technical complexity of the project.
- Potential for delays or non-compliance.
- Review of organization structure.
- Review of qualification of employed staff.

6.2 Risk Mitigation VIBO will mitigate risks through:

- **Clear Contractual Terms:** Ensuring that subrecipients are fully aware of their responsibilities, performance expectations, and compliance requirements.
 - **Contingency Planning:** Developing contingency plans to address potential delays, cost overruns, or other unforeseen issues.
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7. Reporting and Accountability

7.1 Subrecipient Reporting Requirements

- **Quarterly Progress Reports:** Subrecipients must submit detailed reports on project progress, challenges, and financial expenditures.
- **Annual Report:** A comprehensive report to be submitted to VIBO that includes a summary of activities, expenditures, and performance metrics for the year.
- **Final Report:** Upon completion of the project, a final report will include a detailed account of the outcomes, lessons learned, and financial reconciliation.

7.2 VIBO Reporting to Federal Authorities VIBO will submit required reports to the National Telecommunications and Information Administration (NTIA), in compliance with BEAD program guidelines, detailing financial expenditures, milestones, and other key performance indicators.

8. Subrecipient Termination and Dispute Resolution

8.1 Termination of Agreement The VIBO may terminate the subrecipient agreement if:

- There is a breach of contract.
- The subrecipient fails to meet performance milestones.
- The subrecipient fails to comply with federal, state, or program regulations.

8.2 Dispute Resolution Process

- **Initial Resolution:** Disputes should be addressed through direct communication between VIBO and the subrecipient.
- **Mediation:** If a resolution cannot be achieved, an independent mediator will be appointed to facilitate a resolution.
- **Arbitration:** In cases where mediation is unsuccessful, arbitration will be pursued in accordance with applicable laws.

Conclusion

The Virgin Islands Broadband Office is committed to ensuring the efficient, effective, and transparent management of the BEAD Grant through comprehensive subrecipient management. By following these policies, procedures, and processes, VIBO will maintain strong oversight of subrecipients, ensuring the successful and timely execution of the BEAD grant, while also ensuring compliance with all regulatory and programmatic requirements. This will ultimately contribute to bridging the digital divide in the Virgin Islands.