



Department of  
**Economic &  
Community Development**

# DIGITAL OPPORTUNITY (DO) BROADBAND READY COMMUNITIES (BRC) GRANT PROGRAM

Update to Eligible Expenses Webinar

March 5, 2025

# Agenda

1. **BRC Eligible Expenses**
2. **BRC Ineligible Expenses**
3. **FAQs**



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# 1. BRC Eligible Expenses

# BRC Grant Contract Budget

- Round 1 does include construction for public WiFi

GRANT BUDGET			
The Grant Budget line-item amounts below shall be applicable only to expenses incurred during the following applicable period:			
BEGIN: DATE		END: DATE	
EXPENSE OBJECT LINE-ITEM CATEGORY <sup>1</sup>	GRANT CONTRACT*	GRANTEE MATCH <sup>3</sup>	TOTAL PROJECT
Construction	0.00	0.00	0.00
Architect & Engineering	0.00	0.00	0.00
Professional Fee, Grant & Award <sup>2</sup>	0.00	0.00	0.00
Supplies, Telephone, Postage & Shipping, Occupancy, Equipment Rental & Maintenance, Printing & Publications	0.00	0.00	0.00
Grantee/Project Administration	0.00	0.00	0.00
Other Non-Personnel <sup>2</sup>	0.00	0.00	0.00
Capital Purchase <sup>2</sup>	0.00	0.00	0.00
<b>GRAND TOTAL</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

# BRC Grant Contract Budget

- Round 2 does not include construction for public WiFi

GRANT BUDGET			
The Grant Budget line-item amounts below shall be applicable only to expenses incurred during the following applicable period:			
BEGIN: DATE		END: DATE	
EXPENSE OBJECT LINE-ITEM CATEGORY <sup>1</sup>	GRANT CONTRACT*	GRANTEE MATCH <sup>3</sup>	TOTAL PROJECT
Professional Fee, Grant & Award <sup>2</sup>	0.00	0.00	0.00
Supplies, Telephone, Postage & Shipping, Occupancy, Equipment Rental & Maintenance, Printing & Publications	0.00	0.00	0.00
Grantee/Project Administration	0.00	0.00	0.00
Other Non-Personnel <sup>2</sup>	0.00	0.00	0.00
Capital Purchase <sup>2</sup>	0.00	0.00	0.00
<b>GRAND TOTAL</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

# BRC Eligible Expenses

Category	Definition	Examples	Notes
<b>Professional Fees &amp; Grants*</b>	Costs for third-party professionals, consultants, or agencies related to grant project objectives.	<ul style="list-style-type: none"> <li>Professional trainers</li> <li>Consultants for community outreach</li> <li>Equity assessments</li> <li>Design Consultant for Public WiFi</li> </ul>	Requires documentation and proof of services rendered. Must be aligned with implementation of the grant services, not ongoing operational costs.
<b>Supplies, Telephone, Postage &amp; Shipping, Occupancy, Equipment Rental &amp; Maintenance, Printing &amp; Publications</b>	Supplies and materials associated with project objectives.	<ul style="list-style-type: none"> <li>Computers, tablets, curriculum materials, hands-on learning tools.</li> <li>Routers, hotspots, and other devices necessary for public WiFi access</li> <li>Flyers and yard signs</li> <li>Rental costs for meeting rooms or training spaces necessary for the project</li> </ul>	<p>Devices must be for grant-related purposes and remain property of the facility.</p> <p>Print marketing materials must have proof of deliverables for reimbursement.</p> <p>Must include rental agreement, proof and purpose of use of the space.</p>
<b>Grant/Project Administration</b>	Professional third-party grant administrators to manage the grant.	<ul style="list-style-type: none"> <li>Federal reporting</li> <li>Invoicing</li> <li>Compliance activities</li> </ul>	<p>Administrative costs cannot exceed 6% of the total grant budget.</p> <p>Development Districts have been identified for use.</p>
<b>Other Non-Personnel Expenses*</b>	Other costs associated with project activities and not related to direct payments.	<ul style="list-style-type: none"> <li>Software subscriptions</li> <li>Software license</li> <li>Digital advertisements, such as local social media ads</li> </ul>	Proof of deliverable is required for digital marketing.
<b>Capital Purchases (=&gt; \$5,000 per unit cost)*</b>	Equipment assets with a life of more than one year.	<ul style="list-style-type: none"> <li>Training equipment over \$5,000 per unit</li> </ul>	Equipment must have a direct use in supporting the grant project.

# BRC Eligible Expenses –Public WiFi (Round 1 Only)

Category	Definition	Examples	Notes
<b>Construction</b>	Site preparations, installation, and completion for Public WiFi projects.	<ul style="list-style-type: none"><li>• Drop-related construction activity to prepare a public WiFi connection, such as rewiring a building.</li></ul>	Construction costs may only be for Public WiFi projects.
<b>Architect and Engineering Fees</b>	Costs associated with planning and design of the project.	<ul style="list-style-type: none"><li>• Engineering services for designing a public WiFi project</li></ul>	Most design work should be performed before construction.

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## 2. BRC Ineligible Expenses

# BRC Ineligible Expenses Overview

Category	Definition	Examples	Notes
<b>Supplies, Occupancy, &amp; General Expenses</b>	Costs for promotional items, entertainment, and recurring office supplies not tied to the grant.	<ul style="list-style-type: none"> <li>• Gifts</li> <li>• Souvenirs</li> <li>• Food</li> <li>• Social events</li> <li>• General office supplies</li> <li>• Long-term leases</li> </ul>	Only necessary and program-related expenses are eligible.
<b>Capital Purchases</b>	Large asset purchases unrelated to the grant program.	<ul style="list-style-type: none"> <li>• Vehicles</li> <li>• Land acquisition</li> </ul>	Only training-related equipment (\$5,000+ per unit) is covered.
<b>Construction</b>	Expenses for broadband infrastructure expansion.	<ul style="list-style-type: none"> <li>• Middle mile and last mile infrastructure improvements</li> </ul>	Only grant-approved facility improvements are eligible.
<b>Professional Fees &amp; Grants</b>	Funds used for fundraising activities or other unrelated third-party services.	<ul style="list-style-type: none"> <li>• Salaries for county employees</li> <li>• Fundraising consultant fees</li> </ul>	Must be directly linked to grant activities for eligibility.
<b>Other Non-Personnel Expenses</b>	Travel and broadband incentives not directly supporting the grant activities.	<ul style="list-style-type: none"> <li>• Flights</li> <li>• Hotels</li> <li>• Meals</li> <li>• Vehicle rentals</li> <li>• Tax subsidies for broadband</li> </ul>	Travel costs are not eligible for BRC grant projects.
<b>Grant Administrative Expenses</b>	Administrative costs not directly related to executing the grant program.	<ul style="list-style-type: none"> <li>• Fundraising activities</li> <li>• Salaries for county employees or internal administration</li> <li>• Costs unrelated to the grant program</li> </ul>	Only grant-specific administrative expenses incurred by a Development District are allowed.
<b>Overhead &amp; Indirect Costs</b>	Operational expenses not tied to specific grant activities.	<ul style="list-style-type: none"> <li>• Rent or leasing costs</li> <li>• Utilities</li> <li>• Insurance</li> <li>• Computers</li> </ul>	Operational and indirect costs are not eligible.

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# 3. FAQs

# General Eligibility FAQs

- **Q: What types of expenses are covered under the BRC grant?**
  - A: The grant covers supplies, marketing, capital purchases related to training activities, construction for public WiFi, professional fees, administrative expenses incurred by a Development District, and other non-personnel costs directly tied to Broadband Ready Communities (BRC) projects.
- **Q: What costs are NOT eligible for reimbursement under the BRC grant?**
  - A: Ineligible costs include promotional items, entertainment, fundraising, legal fees unrelated to compliance, indirect administrative costs, general office supplies, travel, and capital purchases such as vehicles and land.
- **Q: Can I use BRC grant funds to cover operational expenses?**
  - A: No. The grant is strictly for expenses directly tied to BRC program activities and cannot be used for operational costs.

# Supplies, Equipment & Technology FAQs

- **Q: What types of supplies can be purchased using grant funds?**
  - A: The eligible supplies that can be purchased with BRC funds are:
    - 1. Student computers, tablets, hotspots, and hands-on learning tools** for digital training programs.
    - 2. Marketing supplies such as flyers, banners, or signs** directly tied to the BRC project.
- **Q: Can the BRC grant funds be used to purchase computers and tablets for public use?**
  - A: Yes, but devices must remain property of the facility (unless loaned out) and cannot be given away.

# Marketing, Outreach, and Rental FAQs

- **Q: What marketing costs are eligible?**
  - A: The eligible marketing costs that can be purchased with BRC funds are:
    - 1. Print and digital advertising** for promoting BRC initiatives.
    - 2. Proof of deliverables (e.g., an image of a flyer, a link to a social media ad)** must be submitted with reimbursement requests.
- **Q: Can I use grant funds to create general promotional materials for my business?**
  - A: No. Marketing expenses must be specific to the BRC grant project.
- **Q: Can I use the grant to cover rent or lease costs?**
  - A: No. Rental costs can only be reimbursed if it is to rent a temporary meeting room or training space for the project, such as a digital skills training.

# Other Non-Personnel Expenses FAQs

- **Q: Are travel expenses eligible?**
  - A: No, travel is not eligible under this grant.
- **Q: Can I be reimbursed for software subscriptions?**
  - A: Yes, if the software is necessary for the implementation of the BRC project. TNECD must give approval.
- **Q: Can I submit reimbursement for expenses incurred before the BRC grant award date?**
  - A: No. Pre-award expenses are NOT eligible for reimbursement.

# Other Compliance & Documentation FAQs

- **Q: What procurement rules must be followed?**
  - A: All purchases must comply with competitive procurement thresholds outlined in ([2 CFR 200.317-200.327](#)).
- **Q: What records must be maintained for reimbursement?**
  - A: Invoices, receipts, and records must be kept for all purchases until 2031 (five years after the contract end date).
- **Q: What is the "No Supplanting Attestation"?**
  - A: Funds must complement existing resources, not substitute them.

# Procurement FAQs

- Grantee must choose a method based on the **contract amount** or **type of services** to be procured. See more at: [2 CFR 200.317-200.327](#).
- **Note** - ALL procurement actions, regardless of cost threshold, must be documented and will be reviewed at the time of monitoring.

Cost Threshold	Required Actions
<b>\$0.1 to \$9,999.99</b>	<ul style="list-style-type: none"><li>• At least three written quotes, such as screenshots from online shopping websites</li></ul>
<b>\$10,000.00 to \$249,999.99</b> (or otherwise determined threshold)	<ul style="list-style-type: none"><li>• At least 3 bids must be included to show lowest price was selected</li><li>• All bids/quotes must be signed by the vendor</li><li>• Cannot exceed \$249,999.99</li></ul>
<b>\$250,000.00+</b> (or otherwise determined threshold)	<ul style="list-style-type: none"><li>• Must be conducted in a sealed bid process called an ITB (invitation to bid) or RFP (request for proposal)</li></ul>

# Procurement FAQs

- **Q: What records must be maintained for procurement?**
  - A: Bid advertisements, bids or proposals, bid tabulations, awards, executed contracts must be kept until 2031 (five years after the contract end date).
- **Q: What records must be maintained for reimbursement?**
  - A: Invoices, receipts, and records must be kept for all purchases until 2031 (five years after the contract end date).
- **Q: What is the "No Supplanting Attestation"?**
  - A: Funds cannot be used as a substitute for current programs or projects managed by the grantee.

# Procurement – Professional Services FAQs

- **Q: What kind of contractors/vendors are considered professional services?**
  - A: Any third-party contractor that is supporting the scope of the grant project, which is included but not limited to engineering, architecture firms, or professional training services.
- **Q: Should a professional services vendor be selected based upon the lowest price?**
  - A: Procurement of professional services should not be based on price but on meeting your qualifications.
- **Q: What steps should I take to procure a professional services vendor?**
  - A:
    - Send at least 3 letters to companies who could provide the service.
    - Give them time to respond.
    - Have a selection committee and specified qualifications/scoring system to select service provider.
    - Document the process.
    - If you are using the Development District to administer the grant, you do not have to use a formal procurement process for grant administration.
    - If you only receive one response back when procuring professional services, draft a single response memo and keep it on file.

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# 4. Feedback Form

# Let us know how we did! (and log your attendance)



Please mark your attendance on the form by scanning this code. Please let us know how we did and what you would like us to prioritize in upcoming webinars and office hours. You can also use this space to share with us your pointed questions that you would like us to get back to you on.



Please email  
[ECD.Broadband@tn.gov](mailto:ECD.Broadband@tn.gov)  
with any questions you may have.  
Thank you!