

California's BEAD Program: Matching Fund Requirements

January 21, 2025



California Public
Utilities Commission

Welcome

Laura Sasaki

Program and Project Supervisor

BEAD Program

Agenda

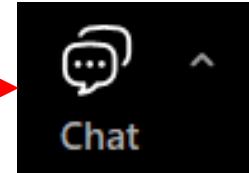
1. Welcome
2. Introduction to match requirements
3. Match in the BEAD application
4. Next steps



Housekeeping

Tips for getting the most out of this webinar

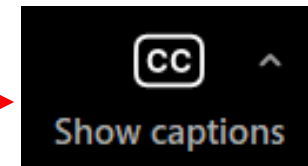
Chat: Keep an eye on the chat because we will use it to share useful links



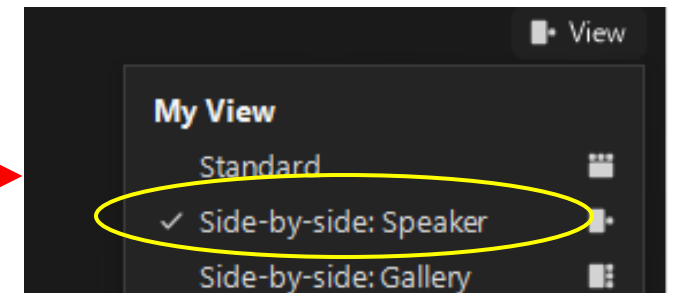
Q&A: Type your questions in the Q&A



Closed Captions: English closed captions are available. Select "Show captions" on your toolbar. (Click the small arrow on the 'Show captions' button for more settings or to see a full transcript)



Select Side-by-Side: Speaker Mode for the best viewing experience when slides are shared.

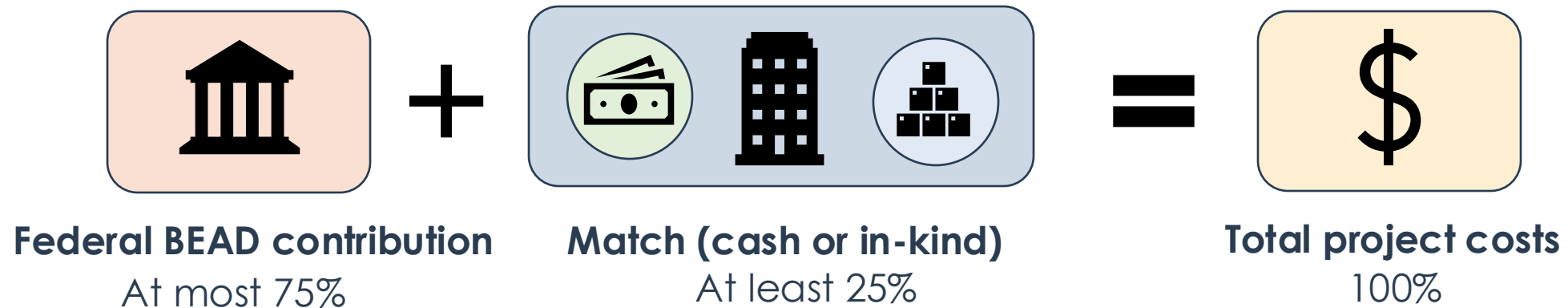


Introduction to match requirements

BEAD Program match requirement

For most project areas, subgrantees must provide matching funds of **at least 25 percent** of total project costs, which can be provided as cash or in-kind.

Matching contributions, including in-kind contributions, demonstrate commitment to a particular project and minimize BEAD funding outlay.



Eligible match sources

Match can be provided from several different sources, including:

- Subgrantee
- Philanthropic organization
- Unit of local government
- Utility company
- Nonprofit organization
- For-profit company
- Regional planning or other government organization
- Federal regional commission or authority
- Cooperative
- Funding received for broadband from eligible federal sources (only Families First Coronavirus Response Act, CARES Act, Consolidated Appropriations Act, or American Rescue Plan Act)

Funds from federal programs, including from Universal Service Fund programs, generally may not be used, other than from the programs above.

In-kind match

Matching funds may be provided as either **cash or in-kind contributions**, provided that these contributions comply with the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards set forth in 2 C.F.R. Part 200.

In-kind contributions, which may include **third-party in-kind contributions**, **are non-cash donations of property, goods, or services**, which benefit a federally assisted project, and which may count toward satisfying the non-federal matching requirement of a project's total budgeted costs when such contributions meet certain criteria.

Allowable forms of in-kind match

In-kind match contributions must be **allowable and allocable project expenses**.

NTIA lists potential sources of in-kind match in the BEAD NOFO, including:

- Employee or volunteer services
- Equipment
- Supplies
- Indirect costs
- Computer hardware and software
- Waiver of fees associated with access to rights-of-way
- Pole attachments
- Conduits
- Easements
- Access to other types of infrastructure

Match **must comply with BEAD rules, including Build America, Buy America (BABA)** (i.e., if supplies are counted as in-kind match they must be manufactured in the U.S. unless covered by the NTIA BABA waiver).

Exception to match requirement

For areas designated by NTIA as **“high-cost,”** there is no match requirement:

- A high-cost area is a Census Block Group with at least 80 percent unserved locations in which NTIA has determined that the lifetime cost of building and operating broadband service is higher compared to the average cost of unserved areas.
- NTIA has released a list of these areas, which the CPUC will make available as part of the application process.

Waivers of the match requirement

- NTIA recognizes there may be areas not designated as “high-cost” that have a challenging business case and therefore **applicants are allowed to request waivers to the match requirement.**
- Requests to waive any amount of the match requirement **must be approved by NTIA**; approval requires a justification that demonstrates that other Reliable Broadband Service proposals could not be secured with the 25 percent match amount.
- Project proposals that commit to meeting **minimal matching requirements will be processed before projects requesting to waive the match.**
- If the CPUC believes a match waiver is warranted, it may **offer an award contingent on NTIA’s approval of its Final Proposal** which will include the contingently awarded project and justification for the waiver.

Match in the BEAD application

Certifications

The applicant will certify in the application that:

- It will have **sufficient financial resources** to provide the pledged matching funding as required by the BEAD Program rules.
- It will have the financial resources to **support all project costs** necessary to complete the project, even if those costs exceed the amount of grant award and pledged matching funds.

For more information, please see the Financial Requirements webinar on the [CPUC's BEAD Events Page](#).

Project snapshot

As part of the project snapshot, applicants will be asked about aspects of matching funds, including:

- **Total dollar amount** of matching funds from all sources
- Dollar amount of **cash** matching funds
 - Amount from eligible federal sources (alongside a breakdown of federal sources in the Match-Eligible Federal Sources Template)
 - Amount from other sources including local government entities
- Dollar amount of **in-kind** matching funds
 - Source of in-kind matching funds using the In-Kind Matching Funds Template
 - Justification for valuation of in-kind matching funds
- Dollar amount, documentation and justification of the requested **matching fund waiver** (if a waiver is requested)

Financial templates

In-kind match must be explained for relevant cost items in the budget template:

- If the applicant will be providing a cash or in-kind match in a cost category, this must be noted and explained in the justification – including a **breakdown of the grant and match share** of each proposed cost.
- The applicant will provide justification for network equipment, materials, or other in-kind match, including its value, the method of evaluation, and what proportion of the total cost category is being counted as in-kind match.

Scoring criterion based on match

The 'Minimum BEAD Outlay' criterion awards points for greater amounts of matching funds relative to the grant amount requested:

- A **maximum of 20 points** will be awarded for offering matching funds equal to **65 percent or more** of the requested funding.
- **1 point will be deducted for every 2 fewer percentage points** of matching funds offered; for example:
 - 55% match = 15 points
 - 45% match = 10 points
 - 35% match = 5 points
- Scoring will include consideration of matching funds originating from sources other than the applicant.
- Funds promised or awarded by third parties (e.g., local governments) to be used as match may not be disbursed prior to CPUC's Final Proposal (which constitutes award of the BEAD subgrant project).

Next steps

Upcoming outreach

Webinars are open to all who wish to attend.

Registration links will be posted on the [BEAD events page](#).

Date/Time	Topic
Tuesday, January 28 1:00-2:00 pm PT	Other BEAD Requirements
Thursdays, January 16 to May 8 1:00-2:00 pm PT	Office hours

Questions?

Please contact us at:

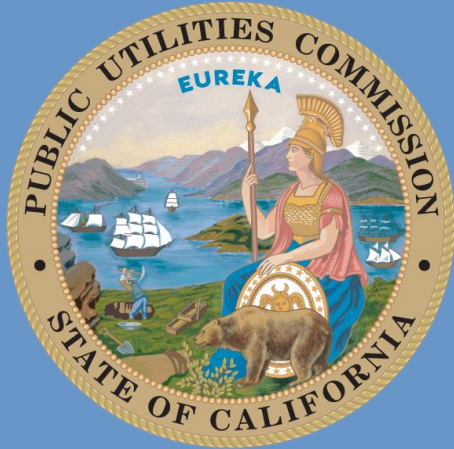
BEADgrant@cpuc.ca.gov



For more information visit:

[California Broadband Equity, Access, and Deployment \(BEAD\) Program](#)





California Public Utilities Commission