



# NORTH DAKOTA

## BEAD Program Monitoring Plan

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# Introduction

## Background

The Broadband Equity, Access, and Deployment (BEAD) program (“the Program”) is a federal initiative aimed at closing the digital divide and expanding universal access to high-speed internet. In North Dakota (“the State”), the Program is administered by the North Dakota State Broadband Program Office (SBPO) within the North Dakota Information Technology (NDIT) department. The Program is part of a broader statewide effort to expand broadband access to 100% of unserved or underserved North Dakota residents by 2030.

This BEAD Program Monitoring Plan (“the Plan”) outlines the framework SBPO will use to oversee deployment subgrantees under the Program, helping to facilitate their compliance with federal and state requirements applicable to BEAD participation. This plan adheres to the statutory and regulatory requirements at minimum defined in:

- [Infrastructure Investment and Jobs Act of 2021, Division F, Title I, Section 60101, Public Law 117-58, 135 Stat. 429](#) (November 15, 2021) (codified at [47 U.S.C. § 1701](#) et seq.).
- [2 C.F.R. Part 200](#) (Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards)
- [BEAD Notice of Funding Opportunity \(NOFO\)](#)
- [BEAD Program Restructuring Policy Notice](#)
- [General Terms and Conditions for the BEAD Program](#)
- [The Department of Commerce Financial Assistance Standard Terms and Conditions](#)
- [North Dakota BEAD Initial Proposal and Final Proposals](#)
- [North Dakota BEAD Subgrantee Agreement](#)

## Plan Objectives

As a direct recipient of BEAD funding and a pass-through entity providing federal funding to subgrantees, SBPO is responsible for monitoring subgrantee use of BEAD funds. NTIA guidance directs states in the use of funds to advance broadband deployment and adoption, and SBPO establishes requirements for each subgrantee through subgrant agreements.

SBPO takes seriously its role in overseeing federal broadband funding and working to expand high-speed internet access to all North Dakotans. To that end, SBPO has developed comprehensive subgrant award policies and procedures to meet federal and state BEAD requirements for competitive solicitation, as well as to track subgrantee performance and financial compliance.

This Plan is designed to integrate with other elements of the Final Proposal, avoiding duplicative processes and positioning SBPO to provide effective guidance, technical assistance, and oversight. To monitor compliance, SBPO has established processes to evaluate risk, track budgets, review semi-annual reports, validate reimbursement requests with supporting documentation, and assess other compliance indicators.

## Details and Approach

### 1.1 Governance

The State Broadband Program Office (SBPO) is responsible for all monitoring and compliance activities under the North Dakota BEAD Program. This includes receiving and reviewing subgrantee reports, directing responses to noncompliance and escalated issues, aggregating compliance data for leadership, and providing technical assistance.

### 1.2 Communication Platforms & Documentation

The SBPO will manage all BEAD monitoring and compliance activities using a combination of North Dakota WebGrants (the State's centralized grants management system) and the Microsoft suite (including email, forms, and SharePoint). These platforms will be used for grant application processing, award management, reporting, document exchange, and storage of monitoring records.

All documentation of monitoring and compliance activities will be retained in these systems to provide a clear record of actions taken and to prevent information from being lost or dispersed. This approach supports transparency, continuity, and accessibility of program records throughout the grant lifecycle.

### 1.3 Program Requirements

The BEAD Program is governed by a set of general and program-specific requirements that subgrantees must follow to receive and maintain funding. These requirements are designed to support effective, equitable broadband deployment while promoting transparency, accountability, and responsible use of public funds.

#### 1. 2 CFR 200 Uniform Guidance:

Uniform Guidance applies to the BEAD award, including fixed amount subawards, in accordance with the BEAD Policy Notice [Tailoring the Application of the Uniform Guidance to the BEAD Program](#).

- **Financial Management:** Subgrantees must maintain accurate financial records and implement strong internal controls to support proper use of federal funds.
- **Audit Requirements:** Subgrantees must be prepared to undergo any required audits to verify compliance with program requirements.
- **Internal Controls:** Subgrantees must establish and maintain effective internal control systems to protect against fraud, waste, and abuse.

#### 2. BEAD Program-Specific Requirements:

- **Network Performance:** Subgrantees must confirm that broadband networks meet specific performance standards, including minimum speeds and reliability metrics.
- **Affordability:** Subgrantees are required to offer affordable service plans, with at least one Low-Cost Service Option available to eligible subscribers (defined as any

household seeking to subscribe to broadband internet access service that is eligible for the FCC's Lifeline Program).

- **Transparency & Reporting:** Regular reporting on project progress, financial status, and compliance is mandatory.
- **Consumer Protection:** Subgrantees must provide access to broadband service to each customer served by the project that desires broadband service on terms and conditions that are reasonable and non-discriminatory.
- **Federal Interest Period:** Subgrantees must hold project property and equipment in trust for BEAD Program beneficiaries for the duration of the Federal Interest Period (10 years after the year in which the subgrant for a project has been closed out).

## 1.4 Distribution of Funding

All awards will be classified as fixed-amount subawards, with funding disbursed on a reimbursement basis, consistent with [NTIA guidance](#). Reimbursements will be issued only for authorized expenditures that have been incurred in a completed reporting period and are supported by required documentation.

The submission and approval of each semi-annual report will constitute a programmatic milestone/objective for the fixed-amount subaward structure. For each reporting period covered by a request, subgrantees may seek reimbursement for allowable expenditures provided that, in total across all reimbursement requests, no more than 90% of the total BEAD grant award is disbursed prior to closeout. Each request must also demonstrate that that subgrantee has expended a proportional share of its required matching funds. For example, if the subgrantee cumulatively requests 50% of its total grant award, it must also show that approximately 50% of its required match has been spent.

The final 10% of each grant award will be retained and disbursed only upon project closeout and acceptance of the final report confirming that all grant activities and matching requirements have been met.

## 1.5 Monitoring & Compliance Activities

SBPO will employ a risk-based approach to monitoring, focusing resources on subgrantees, activities, or issues that present the greatest potential risk to program completion or compliance. In addition to risk assessments and semi-annual reporting requirements, monitoring activities may include virtual check-ins, site visits, desk reviews, technical assistance, ad hoc compliance checks, and initial and ongoing risk assessments.

### 1.5.1 Risk Assessment

The SBPO will conduct risk assessments for all subgrantees to guide oversight activities, inform the appropriate level of monitoring, and support consistent, fair administration of federal funds. Risk will be assessed prior to program activity commencement and re-assessed annually. Assessments will consider factors such as organizational capacity, past performance, and compliance history. The resulting scores will determine the level of risk and approach to monitoring for each subgrantee.



- **High-Risk:** Subgrantees with the highest potential risk of noncompliance with program requirements, monitored more frequently and in greater depth.
- **Medium-Risk:** Subgrantees with a moderate level of risk, monitored more often than low-risk entities but less than high-risk ones.
- **Low-Risk:** Subgrantees with the lowest assessed level of risk, monitored on a lighter schedule but still subject to oversight.

A subgrantee's risk rating may change during the period of performance if factors arise that increase or reduce risk. SBPO's risk assessment process includes two stages:

1. **Pre-Award Risk Assessment:** Following the BEAD application phase, SBPO will conduct an initial risk assessment of selected subgrantees based on several quantitative and qualitative factors, which include:
  - a. Total grant award amount
  - b. Experience with federal funds
  - c. Internal controls (e.g. financial management software capable of tracking grant-related funds separately)
  - d. Financial stability and audit results
  - e. Program management and reporting capability
  - f. Geographic location of operations (i.e., whether the subgrantee is headquartered in North Dakota or primarily out-of-state, which may affect coordination and monitoring)
2. **Annual Risk Assessment:** SBPO will re-assess subgrantees each year to identify changes in risk. Factors to be considered include:
  - a. Responsiveness to information/record requests
  - b. Reporting consistency (e.g., programmatic, reimbursement requests)
  - c. Variance in approved budgets vs reimbursement requests
  - d. Project and / or expenditure delays
  - e. Audit findings / related external records

### 1.5.2 Reporting

Subgrantees must submit semi-annual progress reports in accordance with [Section VII.E.2](#) of the BEAD NOFO. These reports must describe activities conducted with subgrant funds and demonstrate alignment with applicable requirements.

More detail on the specifics of the requirements is included below:

1. Include a list of addresses or location identifications (including the Broadband Serviceable Location Fabric established under 47 U.S.C. 642(b)(1)(B)) that constitute the service locations that will be served by the broadband infrastructure to be constructed and the status of each project;
2. Identify new locations served within each project area at the relevant reporting intervals, and service taken (if applicable);
3. Identify whether each address or location is residential, commercial, or a community anchor institution;

4. Describe the types of facilities that have been constructed and installed;
5. Describe the peak and off-peak actual speeds of the broadband service being offered;
6. Describe the maximum advertised speed of the broadband service being offered;
7. Describe the non-promotional prices, including any associated fees, charged for different tiers of broadband service being offered;
8. List all interconnection agreements that were requested, and their current status;
9. Report the number and amount of contracts and subcontracts awarded by the subgrantee disaggregated by recipients of each such contract or subcontracts that are MBEs or WBEs;
10. Include any other data that would be required to comply with the data and mapping collection standards of the Commission under Section 1.7004 of title 47, Code of Federal Regulations, or any successor regulation, for broadband infrastructure projects;
11. Include an SF-425, Federal Financial Report and meet the requirements described in the [Department of Commerce Financial Assistance Standard Terms and Conditions](#) (dated November 12, 2020), Section A.01 for Financial Reports;
12. For projects over \$5,000,000 (based on expected total cost):
  - a. A subgrantee may provide a certification that, for the relevant Project, all laborers and mechanics employed by contractors and subcontractors in the performance of such Project are paid wages at rates not less than those prevailing, as determined by the U.S. Secretary of Labor in accordance with subchapter IV of chapter 31 of title 40, United States Code (commonly known as the “Davis-Bacon Act”), for the corresponding classes of laborers and mechanics employed on projects of a character similar to the contract work in the civil subdivision of the State (or the District of Columbia) in which the work is to be performed, or by the appropriate State entity pursuant to a corollary State prevailing-wage-in-construction law (commonly known as “baby Davis-Bacon Acts”). If such certification is not provided, a Recipient must provide a project employment and local impact report detailing:
    - i. The number of contractors and subcontractors working on the Project;
    - ii. The number of workers on the Project hired directly and hired through a third party;
    - iii. The wages and benefits of workers on the Project by classification; and
    - iv. Whether those wages are at rates less than those prevailing.
  - b. If a subgrantee has not provided a certification that a Project either will use a unionized project workforce or includes a project labor agreement, meaning a pre-hire collective bargaining agreement consistent with section 8(f) of the National Labor Relations Act (29 U.S.C. 158(f)), then the subgrantee must provide a project workforce continuity plan, detailing:
    - i. Steps taken and to be taken to ensure the project has ready access to a sufficient supply of appropriately skilled and unskilled labor to ensure construction is completed in a competent manner throughout the life of the project (as required in Section IV.C.1.e), including a description of any required professional certifications and/or in-house training, Registered Apprenticeships or labor-management partnership training programs, and partnerships with entities like unions, community colleges, or community based groups;
    - ii. Steps taken and to be taken to minimize risks of labor disputes and

disruptions that would jeopardize timeliness and cost-effectiveness of the project;

- iii. Steps taken and to be taken to ensure a safe and healthy workplace that avoids delays and costs associated with workplace illnesses, injuries, and fatalities, including descriptions of safety training, certification, and/or licensure requirements for all relevant workers (e.g., OSHA 10, OSHA 30, confined space, traffic control, or other training required of workers employed by contractors), including issues raised by workplace safety committees and their resolution;
- iv. The name of any subcontracted entity performing work on the project, and the total number of workers employed by each such entity, disaggregated by job title; and
- v. Steps taken and to be taken to ensure that workers on the project receive wages and benefits sufficient to secure an appropriately skilled workforce in the context of the local or regional labor market.

13. Comply with any other reasonable reporting requirements determined by the Eligible Entity to meet the reporting requirements established by the Assistant Secretary; and certify that the information in the report is accurate.

Subgrantees must maintain sufficient records to substantiate all information above upon request.

### **1.5.3 Virtual Check-ins**

SBPO will conduct regular virtual check-ins with subgrantees to maintain consistent communication and oversight throughout the project lifecycle. These check-ins will typically occur on a monthly or quarterly basis, depending on the project's scope, risk level, and monitoring needs. Subgrantees assessed as higher risk, including those with more complex projects or those operating primarily outside of North Dakota, will generally be subject to monthly check-ins.

Virtual check-ins provide an opportunity to discuss project status, review progress toward milestones, address potential issues before they escalate, and reinforce compliance and reporting requirements. They also serve as a structured forum to answer subgrantee questions, provide guidance, and help projects remain on track.

Findings and updates from virtual check-ins will be documented and used to inform ongoing monitoring and risk assessment activities.

### **1.5.4 Desk Review**

SBPO may conduct desk reviews when determined necessary based on the results of a risk assessment, the presence of performance or compliance concerns, or other monitoring triggers. Desk reviews are conducted to assess subgrantee compliance with program requirements by evaluating the management of their award, verifying that funds are being used for authorized purposes, and confirming alignment with applicable requirements.

These reviews will primarily be completed virtually and involve the examination of documentation, reports, and expenditure activities. This may include reviewing subgrantee financial records, progress/performance reports, and other relevant submitted materials, as well as analyzing internal processes and controls (e.g., policies and procedures).

### **1.5.5 Site Visits**



In addition to desk reviews, SBPO may conduct site visits when deemed appropriate based on the risk assessment, other oversight activities, or emerging concerns. Site visits provide an opportunity to observe construction progress, confirm work is proceeding according to schedule, and verify that reported milestones reflect actual field conditions. Findings from site visits will be documented to support ongoing monitoring and oversight.

#### **1.5.6 Technical Assistance**

Within available capacity, SBPO will provide technical assistance to subgrantees upon request or in response to identified performance or compliance risks.

#### **1.5.7 Ad Hoc Compliance Checks**

SBPO may perform ad hoc compliance checks of subgrantee activities to confirm that funds are being used appropriately and projects are advancing as reported. These checks may be triggered by risk assessment results, reporting inconsistencies, or other indications that additional review is warranted.

#### **1.5.8 Corrective Actions**

Monitoring activities may result in observations of subgrantee non-compliance, which may result in corrective action to resolve the issue. For instance, a subgrantee may provide incomplete or inconsistent reporting of program outcome metrics. In such an instance, SBPO will issue a formal Corrective Action Plan (CAP) to document steps that the subgrantee will take to resolve the issue, identifying specific activities, deadlines, and task owners.

Timely resolution of Corrective Action Plans is a requisite to receive continued milestone payments. Challenges in resolving CAPs may result in consequences including heightened monitoring scrutiny (e.g., more frequent assessments), withholding or clawback of funds, or restricting the subgrantee's eligibility for future state-administered funding until compliance is restored.

### **1.6 Closeout Process**

At project completion, SBPO will require a closeout report confirming that all contractual obligations have been fulfilled. This report must include documentation of final project activities, expenditures, and outcomes.