



**Final Proposal Requirement 4: Oversight
and Accountability Processes**

**Attachment 4.2(1):
Program Monitoring Plan**

**Broadband Equity, Access, and
Deployment (BEAD) Program**

**Alabama Department of Economic and
Community Affairs**

State of Alabama



DRAFT | September 2025

This project is sponsored by the National Telecommunications and Information Administration, U.S. Department of Commerce, under Assistance Listing 11.035. This document was prepared by the Alabama Department of Economic and Community Affairs using Federal funds under award 01-20-B093 from the National Telecommunications and Information Administration, U.S. Department of Commerce. The statements, findings, conclusions, and recommendations are those of the author(s) and do not necessarily reflect the views of the National Telecommunications and Information Administration or the U.S. Department of Commerce.

Sources for this document include:

NTIA Final Proposal Guidance, Version 2.1 (July 2025), pages 35-36,
https://broadbandusa.ntia.gov/sites/default/files/2025-07/Final_Proposal_Eligible_Entity_Guidance_BEAD_Restructuring_v2.1.pdf)

NTIA BEAD Restructuring Policy Notice (June 2025),
<https://www.ntia.gov/sites/default/files/2025-06/bead-restructuring-policy-notice.pdf>

Alabama Initial Proposal Volume 2, <https://adeca.alabama.gov/wp-content/uploads/Alabama-BEAD-Initial-Proposal-Volume-2.pdf>



Contents

1.	BEAD monitoring process overview	1
1.1	Subaward monitoring strategy	1
1.2	Funds distribution	1
1.3	Subgrantee accountability	1
2.	Monitoring activities	3
2.1	Subgrantees' semi-annual reports and quarterly reports.....	3
2.2	Desk reviews for progress, prior to payment.....	3
2.3	Project meetings	3
2.4	Site visits.....	4
2.5	Project inspections	4
2.6	Tracking progress against milestones.....	4
2.7	Closeout.....	4
3.	Monitoring levels and adjustments	6
3.1	Establishing monitoring levels	6
3.2	Levels of monitoring	6
3.2.1	Standard monitoring	6
3.2.2	Intermediate monitoring.....	6
3.2.3	Advanced monitoring	6
3.3	Changing the monitoring level	7
4.	Recordkeeping.....	8
5.	Project improvement and corrective actions	9
6.	Checklists for subgrantees	10
6.1	Construction checklist	10
6.2	Environmental and historic preservation (EHP) compliance checklist.....	10
6.3	Construction permitting	10
6.4	Financial capabilities checklist	10
6.5	Property management checklist	11
6.6	Build America, Buy America Act (BABA) checklist.....	11
7.	Monitoring resources.....	13
8.	Additional BEAD-related resources.....	15





1. BEAD monitoring process overview

The Alabama Department of Economic and Community Affairs (ADECA), the Eligible Entity for the State of Alabama, is pleased to present this Program Monitoring Plan (PMP), which is Attachment 4.2(1) to Alabama's BEAD Final Proposal.

As subgrantees spend BEAD funds on eligible costs such as construction, equipment, services, and personnel, ADECA, as the grantee will monitor its subgrantees to ensure the proper use of the grant funds. This oversight is critical to ensure program compliance and timely and accurate reporting as required by NTIA.

ADECA will adjust its monitoring to fit the subgrantee risk determination, programmatic updates from NTIA, and other factors that may require modifications to the PMP. ADECA's monitoring and compliance started as part of the prequalification and grant application process. Certifications were required, data was collected, and expectations for compliance were included during each phase of ADECA's BEAD program implementation. ADECA has posted on its website its sample subaward agreements that further explain implementation, reporting, and compliance requirements. The agreements include provisions such as compliance requirements and checks, including milestone-based payments, clawback provisions, timely reporting, BABA, and environmental and historic preservation requirements.

The data produced via monitoring activities will aid ADECA in ensuring compliance and to report BEAD accomplishments and outcomes for the program.

1.1 Subaward monitoring strategy

Subaward monitoring includes activities related to specific subawards, such as project meetings, desk reviews, and field inspections or site visits. These monitoring activities, as well as subgrantees' regular reports, will provide program-wide data that can be used to inform and direct the provision of technical assistance as well as corrective action up to and including disallowed costs with clawback provisions and/or subaward termination.

All subgrantees will be monitored under the moderate risk category, unless the risk analysis indicates the high-risk monitoring category is necessary. As projects progress, the monitoring standard may be reduced to the low-risk monitoring category.

1.2 Funds distribution

Funds will be distributed through fixed amount subaward agreements. The disbursement agreement will be based on milestones met, units built, or project completion, according to methods to be detailed in the subaward agreement.

1.3 Subgrantee accountability

The subaward agreement, which is presented as Final Proposal attachment 4.2(2), establishes the obligations the subgrantee must meet in deploying its broadband project. Each subgrantee will



have a subaward agreement for each project that contains ADECA's terms and conditions. ADECA may, as warranted, add specific special award conditions depending on individual circumstances (e.g., environmental issues, risk assessments). ADECA will include provisions in the subaward agreements for LEO capacity subawards in alignment with Appendix B of NTIA's BEAD Restructuring Policy Notice. Draft BEAD subaward agreements include terms and conditions that support ADECA's monitoring plan, including requiring distribution of funding based on milestones met, units built, or project completion , auditing requirements, clawback provisions to which subgrantees will be subject, the reporting cadence in which subgrantees will be required to submit materials to ADECA, the timeline for completion of deployment projects consistent with specific deadlines established by its award; the timeline for how subgrantees will report progress to ADECA; and requirements that all subawards will end at least 120 days prior to the end of ADECA's own period of performance.



2. Monitoring activities

ADECA will conduct monitoring activities consistently across infrastructure deployment projects and, in alignment with the Policy Notice, across LEO capacity subawards. Monitoring outputs will inform risk-analysis and decision-making.

2.1 Subgrantees' semi-annual reports and quarterly reports

Subgrantees will be required to file semi-annual financial and performance reports. ADECA may require additional reporting on a one-time basis or as NTIA requires. Subgrantees may also be required to report quarterly on progress to the Alabama Digital Expansion Authority (ADEA). These reports may be reviewed by ADECA staff and consulting staff to ensure completeness. The reports may include GIS shapefiles of awarded routes showing completed routes, routes under construction, routes with permitting complete, routes with design complete, routes with design in progress or not begun, PDF as-built or redlines for all completed routes including all attributes listed in the subaward agreement or BEAD guidelines and requirements, as appropriate, and copies of all approved permits.

2.2 Desk reviews for progress, prior to payment

ADECA will use desk reviews as a monitoring tool to develop an understanding of subgrantee progress and performance. ADECA personnel will review information provided by the subgrantee to substantiate its progress; demonstrate compliance with key requirements, terms and conditions, or milestones; and show achievement of reported outcomes or other measures each quarter and with payment requests. Any risk identified via the desk review will be documented and result in a project meeting to examine the information submitted, progress reported, risk identified, and any mitigation required. As described above, subgrantees may be required to report to the ADEA; however, they will be required to submit quarterly progress reports to ADECA and when requesting milestone payments. These reports may include GIS shapefiles of awarded routes showing completed routes, routes under construction in, routes with permitting complete, routes with design complete, routes with design in progress or not begun, PDF as-built or redlines for all completed routes including all attributes listed in the subaward agreement or BEAD guidelines and requirements as appropriate, and copies of all approved permits.

2.3 Project meetings

ADECA will have project meetings, as required. Meetings will be an opportunity to inform subgrantees of program changes, guidance, and clarifications. The project meetings will also be an opportunity to discuss any compliance and reporting deficiencies and provide technical assistance in these areas. Project meetings will also be used to discuss project specific issues identified by the subgrantee or ADECA, especially those that may necessitate an amendment (indicate a substantial change to project designs or timelines), or further guidance from NTIA. Meetings will



be scheduled as needed for programmatic, compliance, and technical concerns. Changes in a subgrantee's risk status and monitoring findings may also require project meetings.

2.4 Site visits

Site visits are unlikely, but, if necessary, they may last one to two days. Correspondence to set the date and agenda will be sent prior to the site visit. If the site visit is for the purpose of additional compliance monitoring, a checklist of items to be reviewed will be provided.

Site visits may be scheduled for monitoring, designation as “High Risk” by ADECA, unresolved issues and questions, project schedule, staff turnover, particularly among leadership, challenges negotiating environmental or historic preservation rules, challenges working with government agencies, including Tribal Nations, allegations of waste, fraud, or abuse, or concerns regarding the subgrantee's desk reviews or project meetings, including failure to file reports or questions regarding the contents of reports.

2.5 Project inspections

At least annually, ADECA will perform project inspections to ensure that subgrantees are meeting reported milestones, applying safety standards, restoring sites, and meeting other requirements. These may be a combination of virtual or in-person inspections. Deployment project field inspections are more likely to occur at network sites to confirm network documentation and performance. The inspection team may review project segments against as-built reporting and application requirements. The team may also review and verify initial performance testing.

After a project inspection, ADECA will complete a standard report that documents findings and conclusions, attaching supporting data.

Per NTIA requirements, ADECA will perform closeout inspections and final network acceptance testing prior to ADECA's acceptance of closeout materials.

2.6 Tracking progress against milestones

As noted in section 2.1 and 2.2, funds will be disbursed based on verified achievement of milestones. The methodology for tracking progress is discussed in detail in sections 2.1 and 2.2. See the sample subaward agreement, which is presented as Final Proposal attachment 4.2(2).

2.7 Closeout

ADECA will utilize its regular subaward close out procedures. Subgrantees will submit final semi-annual and quarterly reports. Subgrantees will also be required to submit documentation regarding final network acceptance testing and validation results, final design documentation, site restoration information, UCC-I filing documentation. Additional close out requirements will be added as guidance is developed by NTIA. Once all close out requirements have been met, ADECA has confirmed project completion, and the subgrantee has submitted an approvable final payment request; final payment will be made. Subgrantees will receive notification of the close out status with a reminder regarding record retention and the federal interest period. If NTIA establishes



guidance on ongoing project compliance review during the federal interest period, ADECA will issue requirements to the subgrantees.

The final disposition of all files related to the completed project will be managed according to established document retention procedures that follow applicable laws and program requirements. ADECA will retain BEAD records for at least three years following its award closeout.

According to [2 CFR § 200.344\(b\)](#): “A [subgrantee] must submit all reports (financial, performance, and other reports required by the Federal award) no later than 120 calendar days after the conclusion of the period of performance.”



3. Monitoring levels and adjustments

ADECA will generally treat all subgrantees as moderate risk. Even low-risk subgrantees will be receive intermediate monitoring. High-risk subgrantees will receive advanced monitoring. Monitoring activities may be adjusted, as needed, to align with ADECA's available staff and contract resources.

3.1 Establishing monitoring levels

ADECA will issue fixed amount subawards after conducting a risk analysis to establish initial monitoring levels. Risk factors will be evaluated on an ongoing basis determined by the subgrantee's performance, the number and amount of subawards, project size and complexity, subgrantee experience and success in completing federally funded projects, ongoing compliance and reporting, financial capacity, managerial capacity, and organizational capacity. The monitoring levels are described in the following section.

3.2 Levels of monitoring

ADECA will apply one of three levels of monitoring to subgrantees, depending on the subgrantee's compliance status. ADECA may change monitoring levels and activities as circumstances require, depending on each subgrantee's compliance status.

3.2.1 Standard monitoring

Standard monitoring comprises the following activities for each subgrantee:

- Review of semi-annual and other required reports
- Regular desk reviews
- Annual project inspection to confirm milestones completed

3.2.2 Intermediate monitoring

Subgrantees subject to intermediate monitoring will receive standard monitoring, will provide quarterly reporting, may have enhanced project inspections, and may have additional project meetings.

3.2.3 Advanced monitoring

Advanced monitoring will comprise the following activities for each subgrantee:

- Regularly scheduled calls. Frequency can range from monthly, bi-weekly, to weekly. The frequency of calls will be evaluated to determine if more or less frequency is appropriate.
- Early deadlines for Careful scrutiny of reporting to allow sufficient time for curing.
- Additional project inspections, project meetings, and site visits, as required



3.3 Changing the monitoring level

Any monitoring activity described in this section could result in a change in the monitoring level assigned to any subgrantee. Events that can trigger a recommendation for an upward adjustment of a project's monitoring status include:

- Reports of fraud, waste, or abuse
- Significant modifications in timeline or milestone commitments
- Failure to secure permitting as forecasted
- Excessive or significantly minimal drawdown of federal funds
- Uncertainty over the subgrantee's ability to meet matching commitments
- Consistent delinquency on submission of or completeness of reports
- Potential violation of federal, state, or BEAD conditions
- Violation of award conditions and certifications
- Failure to update or provide a compliant supply chain risk plan or cybersecurity plan
- Audit findings
- Management or key personnel changes that could impact performance
- Subgrantee issues identified with other projects administered by ADECA



4. Recordkeeping

ADECA will maintain a file in its BEAD grants management system for each awarded subaward that includes all information necessary to comply with BEAD Program requirements (such as those in the BEAD NOFO), federal requirements such as 2 C.F.R. 200, and state laws and regulations.



5. Project improvement and corrective actions

Generally, ADECA works closely with its subgrantees to prevent the need for corrective actions. If necessary, ADECA will seek to resolve issues through technical assistance but may choose to take further corrective action, as outlined below. ADECA will document its actions, which will form a part of the subgrantee's recordkeeping file (see Section 4). Generally, corrective actions will include one or more of the following:

- Participation in technical assistance and training
- Certification that an error has been corrected and steps have been taken to prevent the error in the future
- Provision of additional documentation
- Repayment of funds
- Termination of subaward
- Reporting to state and federal authorities for further action



6. Checklists for subgrantees

For each executed programmatic activity, ADECA will collect a sample of supporting documentation that demonstrates project milestones achieved, implementation challenges and solutions (if applicable), and outcomes. Subgrantees should review the following checklist questions to help ensure they can provide adequate supporting documentation as appropriate.

6.1 Construction checklist

- Has your organization met the milestones of the baseline project plan and/or the most recent performance (technical) report?
- Have there been significant obstacles in the way of project progress?
- Do you have purchase orders for materials and/or equipment utilized to execute the scope of work?
- Do you have inventory reports that detail the use of materials purchased with subaward funds?
- Do you have equipment usage logs that detail which equipment has been utilized at the project site?
- Do you have a project monitoring plan and a documented process for data collection activities?
- Do you have permitting procedures, and have you identified the barriers or obstacles you anticipate regarding permitting for your project?
- Do you have records certifying compliance with applicable labor and employment requirements?

6.2 Environmental and historic preservation (EHP) compliance checklist

- Have there been any significant developments, including any route changes, that require additional environmental or historic review?

6.3 Construction permitting

- Has your organization obtained and maintained all necessary permitting for construction activities?
- Has your organization secured any required rights-of-way, pole rights, private easement rights, or other access required to successfully complete the project?

6.4 Financial capabilities checklist

- Has an independent certified public accountant (CPA) examined the financial statements?
- Have you retained copies of the CPA's latest report, and any management letters issued?



- Are you generally familiar with the existing regulations and guidelines containing the cost principles and procedures for the determination and allowance of costs in connection with Federal contracts/grants?
- Have you filed audits with the Federal Audit Clearinghouse in a timely manner, if applicable?

6.5 Property management checklist

- Does your property management system provide for maintaining:
 - a description of the property;
 - an identification number;
 - source of the property;
 - where the title vests;
 - the acquisition date;
 - the Federal share of property cost;
 - the location and condition;
 - the acquisition cost; and
 - the ultimate disposition information?
- Does your property management system provide for a physical inventory and reconciliation of property at least every two years?

6.6 Build America, Buy America Act (BABA) checklist

The Department of Commerce signed a BABA waiver in February 2024 limiting the requirements of the BEAD NOFO (of May 2022) but not eliminating them.¹ Under NTIA guidance regarding BABA issued in July 2024,² subgrantees must track every type of equipment, and iron and steel in BEAD projects, recording the manufacturer, product number, location of manufacturing, and other data in NTIA-provided templates.

To comply with NTIA guidance regarding BABA, subgrantees shall:

¹ See “Limited General Applicability Nonavailability Waiver of the Buy America Domestic Content Procurement Preference as Applied to Recipients of Broadband Equity, Access, and Deployment Program,” Department of Commerce, February 2024, <https://www.commerce.gov/sites/default/files/2024-02/BABA%20Waiver%20Signed.pdf>; BEAD NOFO, NTIA, <https://broadbandusa.ntia.doc.gov/sites/default/files/2022-05/BEAD%20NOFO.pdf>, VII.D.6, p.87-88.

² See, “Build America, Buy America Compliance and Documentation Requirements and Procedures,” NTIA, July 2024, https://broadbandusa.ntia.doc.gov/sites/default/files/2024-07/BABA_Compliance.pdf; “BABA Compliance and Self Certification,” NTIA, https://broadbandusa.ntia.doc.gov/technical-assistance/BABA_Compliance_and_Self_Certification.



- Have a procedure to track every piece of equipment, and all iron and steel, deployed in the BEAD project, using the required NTIA templates, including the following information (required by the templates):³
 - Manufacturer
 - Electronic Category (e.g., router, switch, power system, radio)
 - HS Code (10 digits)
 - Product Identifier (e.g., SKU, Product ID)
 - Common Language Description of Product Function
 - Country of Origin
 - Quantity
- Have a procedure to catalog this data so that the subgrantee can retrieve it if audited by the NTIA or others
- Have a procedure to obtain and catalog the NTIA's Manufacturer Self Certification Letter for each manufacturer whose products are used in the BEAD project⁴
- Procedures to collect all of the above data from any contractors and vendors, as necessary
- Procedures to document BABA compliance at all project sites

³ See, "Build America, Buy America Compliance and Documentation Requirements and Procedures," NTIA, July 2024, https://broadbandusa.ntia.doc.gov/sites/default/files/2024-07/BABA_Compliance.pdf, Appendix B – BEAD BABA Reporting Subrecipient Tracker (for Finished Waived Electronics).

⁴ See, "Build America, Buy America Compliance and Documentation Requirements and Procedures," NTIA, July 2024, https://broadbandusa.ntia.doc.gov/sites/default/files/2024-07/BABA_Compliance.pdf, Appendix A – Sample Manufacturer Certification Letter.



7. Monitoring resources

BEAD Waivers – <https://broadbandusa.ntia.gov/waivers-policies>

- **Letter of Credit Waiver** (includes performance bond) – <https://broadbandusa.ntia.doc.gov/funding-programs/policies-waivers/BEAD-Letter-of-Credit-Waiver>
- **Letter of Credit Waiver Update, July 2025** – https://broadbandusa.ntia.gov/funding-programs/policies-waivers/BEAD_LOC_Programmatic_Waiver_Update_July_25
- **Conditional Limited Programmatic Waiver and Clarification of Professional Engineer Certification** – https://broadbandusa.ntia.doc.gov/funding-programs/policies-waivers/BEAD_-_Conditional_Limited_Programmatic_Waiver_and_Clarification_of_Professional_Engineer_Certification
- **Programmatic Waiver of Tribal Lands** – https://broadbandusa.ntia.gov/funding-programs/policies-waivers/BEAD_Program_-_Waiver_of_Subpoint_E_of_the_Definition_of_Tribal_Lands
- **Limited General Applicability Nonavailability Waiver of the Buy America Domestic Content Procurement Preference as Applied to Recipients of the BEAD Program (Build America, Buy America Waiver)** – <https://www.commerce.gov/sites/default/files/2024-02/BABA%20Waiver%20Signed.pdf>
- **Proposed BEAD Performance Measures Guidance** (December 2024 – pending finalization) – https://www.ntia.gov/sites/default/files/2024-12/draft_performance_measures_for_bead_last-mile_networks_policy_notice.pdf

General Terms and Conditions for the NTIA Broadband Equity, Access, and Deployment Program (BEAD) Program Funds –

https://broadbandusa.ntia.doc.gov/sites/default/files/2024-05/BEAD_IPFR_GTC_04_2024.pdf

2 CFR Part 200 – <https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200?toc=I>

- **Uniform Guidance for 2 CFR Part 200:**
 - Tailoring the Application of the Uniform Guidance to the BEAD Program (December 2023) – https://broadbandusa.ntia.doc.gov/sites/default/files/2023-12/BEAD_Policy_Notice_of_Part_200_Exceptions_Related_Issues.pdf
 - Uniform Guidance Policy Notice for the BEAD Program (March 2024) – https://broadbandusa.ntia.gov/sites/default/files/2024-06/BEAD_Uniform_Guidance_Briefing.pdf



Department of Commerce Financial Assistance Award Terms & Conditions
(October 2024) – [DOC Financial Assistance General Terms and Conditions as of 01 October 2024.pdf](#)

OMB Circular A-133: Audits of States, Local Governments, and Non-Profit Organizations:

- Circulars (note that OMB Circular A-133 was updated under 2 CFR) – <https://www.whitehouse.gov/omb/information-for-agencies/circulars/>
- 2024 Compliance Supplement – <https://www.fac.gov/assets/compliance/2024-Compliance-Supplement.pdf>
- 2 CFR Subpart F – Audit Requirements – <https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200/subpart-F>



8. Additional BEAD-related resources

Resource	Website Address	Description
Advisory Council on Historic Preservation	http://www.achp.gov/	This website provides information regarding compliance with Section 106 of NHPA.
BEAD Program Website	https://broadbandusa.ntia.gov/funding-programs/broadband-equity-access-and-deployment-bead-program	This website is the homepage of BEAD.
Council on Environmental Quality (CEQ)	https://www.whitehouse.gov/ceq/	This website is for guidance and information concerning NEPA requirements.
Financial Management Handbooks	https://www.commerce.gov/office/publications/handbooks-and-manuals/financial-management	Links to templates, guidance, and handbooks at varying levels of detail.
NIST Financial Assistance Reference Guide	https://www.nist.gov/system/files/documents/2025/05/13/FA%20Financial%20Assistance%20Reference%20Guide%20for%20Recipients%20%28v4%20last%20updated%20May%202025%29.pdf	Provides information on the essential elements and most commonly asked questions of NIST financial assistance subgrantees. The guide contains a multitude of carefully selected topics designed to assist the grant and cooperative agreement community from acceptance of the award to reporting requirements to amendments and prior approvals during the award to close-out procedures after award completion.



Resource	Website Address	Description
U.S. Government Accountability Office (GAO) Red Book	https://www.gao.gov/legal/appropriations-law/red-book	<i>Principles of Federal Appropriations Law</i> , also known as the Red Book, is GAO's multi-volume treatise concerning federal fiscal law. The Red Book provides text discussion with reference to specific legal authorities to illustrate legal principles, their application, and exceptions.

