



# VIRGINIA OFFICE OF BROADBAND

## BEAD APPLICATION REQUIREMENTS OVERVIEW

Financial Capability

Section 2.4.11

# Section 2.4.11 Financial Capability Summary

## 1 DESCRIPTION: WHAT?

- Section 2.4.11 relates to the financial capability of applicants

## 2 RATIONALE: WHY?

- To ensure applicants have the financial capabilities/support to follow through with the projects they begin

## 3 ROLES AND RESPONSIBILITIES: WHO?

Applicant: Demonstrate and certify financial capability  
DHCD Office of Broadband: Evaluate applications

## 4 DESCRIPTION: HOW?

There are three main options applicants can select to demonstrate financial capability.

## 5 QUESTIONS?

Contact: [broadband@dhcd.virginia.gov](mailto:broadband@dhcd.virginia.gov)  
Additional Resources: [dhcd.virginia.gov/bead](http://dhcd.virginia.gov/bead)

## 6 ROADMAP: WHEN?

Milestone	Phase
Applicant to select which option from the NTIA Waiver they will pursue to demonstrate financial capability	Application
Applicant to certify understanding of and compliance with financial capability requirements	Application
Awardee to secure the proof of financial capability and provide to DHCD	Pre-Contract

# Section 2.4.11 Financial Capability Breakdown

## 1. Financial Capability

The Office of Broadband is committed to comprehensive vetting of applicants throughout the selection process to ensure that the applicants seeking to deploy network facilities meet the qualifications for financial capability as defined in the BEAD NOFO\*.



- Certify that the applicant has the financial capability to successfully deploy network facilities as outlined in the BEAD NOFO
- Certify that the applicant has included all necessary information required by the Office of Broadband and/or NTIA



The NTIA has posted a letter of credit waiver, altering the requirements previously posted in the BEAD NOFO. Please review the waiver and select the option you will use for your project:

Option 1: Compliance with the Letter of Credit Requirements as outlined in the NTIA Waiver

Option 2: Alternative Requirements to the letter of credit based on specific conditions and other requirements

Option 3: The allowance of performance bonds to suffice for this requirement

\*requirements are subject to change as the NTIA continues to issue further guidance.

# Section 2.4.11 Financial Capability Actions

The potential subgrantee is expected to complete the following task(s) to satisfy the requirements for Section 2.4.11 which are laid out on Page 72 – 73 of the [BEAD NOFO](#) and adopted by the Office of Broadband on Page 21 – 23 of their Initial Proposal Volume 2.

## REQUIREMENTS

The Office of Broadband posted the requirement specifics in IPv2

Fall 2023



## APPLICATION

Applicant to include all documentation, narratives, and certifications in the application

During Application



## PRE-CONTRACT

In the Post-Award but Pre-Contract phase, awardees will be asked to provide additional information

2024



## SUBGRANTEE MONITORING

The Office of Broadband will monitor subgrantees to ensure compliance with ongoing requirements for this section

Ongoing

