

ConnectMT BEAD Program

BEAD Reimbursement Process Guide

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Introduction

The Broadband Equity, Access, and Deployment Program (BEAD) was designed to expand high-speed internet access by funding planning, infrastructure deployment, and broadband adoption programs across the country. BEAD is administered by the National Telecommunications and Information Administration (NTIA). The state of Montana (MT) was allocated close to \$629 million in BEAD funding to connect all unserved and underserved locations in the state with reliable and affordable broadband. The Connect Montana (ConnectMT) Broadband Office (MBO) is responsible for overseeing these BEAD funds.

The purpose of this BEAD Reimbursement Process Guide is to outline MBO's reimbursement policy for deployment projects.

Overview of Montana's BEAD Reimbursement Process

The ConnectMT Broadband Office will implement a milestone reimbursement process for BEAD, releasing funds to each subrecipient only after the successful and verified completion of the predefined project milestones. Subrecipients must submit reimbursement requests through the AmpliFund portal (instructions forthcoming in Appendix A).

Timelines

Subrecipients may submit a request for reimbursement not more than every 30 days or at the completion of a milestone, as specified in the grant agreement¹. Disbursement of grant funds is based on review and acceptance of documentation evidencing milestone completion and project performance as proposed in the application. Additional project documentation may be requested to validate costs and progress against established milestones, and to ensure compliance with federal, state, and programmatic requirements.

Subrecipients must also be in compliance with quarterly and semiannual post-award monitoring and reporting requirements to be eligible for disbursement of grant funds. Each report shall describe progress made for each broadband infrastructure project and/or other eligible activities carried out using the subgrant and the duration of the subgrant.

Subrecipients have four years from the date that the agreement with MBO is fully executed to complete construction.

Budget and Disbursement Milestones

Each subgrantee will have a milestone-based budget and disbursement schedule specific to their project. Included below in Table 1: Budget and Disbursement Milestones is an example of such a budget and disbursement schedule. The actual milestones and associated payment percentages for a given project will be based on the project scope, schedule, and technical specifications as contained in each individual grant agreement.

¹ https://connectmt.mt.gov/_files/DRAFT-MT-BEAD-Grant-Agreement-w-Exhibit-BB-Posted-8.18.2025.pdf

Table 1: Example Budget and Disbursement Milestones

Milestone	Percentage of the Award Amount: Payment based on Milestone Verification	Documentation Required (in addition to below)	Other Considerations
Aggregated project plan with milestones and budget and completion of NEPA requirements	3%	Aggregated project plan that includes consideration of all BSLs awarded, associated environmental review forms	
Engineering and Permitting	5%	Copies of construction-ready network design documents, list of all permits necessary for the project, and permits obtained	Must be complete within two years of contract execution. For projects that exceed specific total cost thresholds, the subgrantee may seek MBO approval for phased reimbursement
Pre-construction	12%	Copies of construction site staging, subcontract or vendor documentation and bonding and insurance	Must be complete within two years of contract execution. For projects that exceed specific total cost thresholds, the subgrantee may seek MBO approval for phased reimbursement
Construction	60%	Copies of testing data, as-built maps, and MBO field verification	For projects that exceed specific total cost thresholds, the subgrantee may seek MBO approval for phased reimbursement
Construction completed and network activated	20%	Confirmation of all completed construction and activation, based on testing data, as-builts, and MBO field verification	

Phased Reimbursement: Engineering and permitting milestones

For projects that exceed specific total cost thresholds, the subgrantee may seek MBO approval for phased reimbursement according to the following schedule:

- Total project cost < \$2 million: Maximum of one phase for a total of 12% reimbursement
- Total project cost \$2 million to \$7 million: Maximum of two phases at 6% reimbursement each for a total of 12% reimbursement
- Total project cost \$7 million to \$10 million: Maximum of three phases at 4% reimbursement each for a total of 12% reimbursement
- Total project cost > \$10 million: Maximum of four phases at 3% reimbursement each for a total of 12% reimbursement

Phased reimbursement: Construction milestones

For projects that exceed specific total cost thresholds, the subgrantee may seek MBO approval for phased reimbursement according to the following schedule:

- Total project cost < \$2 million: Maximum of one phase for a total of 60% reimbursement
- Total project cost \$2 million to \$7 million: Maximum of two phases at 30% reimbursement each for a total of 60% reimbursement
- Total project cost \$7 million to \$10 million: Maximum of three phases at 20% reimbursement each for a total of 60% reimbursement
- Total project cost > \$10 million: Maximum of four phases at 15% reimbursement each for a total of 60% reimbursement

Required Documentation

MBO does not require each subgrantee to submit documentation for each cost incurred as part of its disbursement requests. However, subgrantees must maintain full records of all costs incurred and be able to produce them for monitoring and audit purposes, as required by NTIA. As such, the Montana Broadband Office has developed a framework of recommended documentation to be provided in disbursement requests but may request additional evidence to support requests on an ad hoc basis at any time.

Subgrantee records must provide clear evidence of how the total project costs, including match amounts, are eligible and directly related to the project and demonstrate that the milestone has been completed. This may include a description of materials purchased or utilized, contractor or in-house labor completed, and associated invoices and contracts.

Documentation requirements for each milestone may vary and be documented in subgrant agreements. As appropriate to each milestone, Subgrantees may be required to submit the following with each request:

- General
 - Permits

- Description of permit and associated receipt
- Evidence of permit approval
- Contracts for completed milestones
- Copy of contracts including change orders
- Invoices with clear description of work performed and amount
- Timesheets, usage logs, and receipts, if claimed costs include time and materials contract or in-kind services
- Land acquisition
 - Purchase agreement, including legal description of land
 - Closing statement
- If requested, proof of payment:
 - Check
 - Front and back of check or front of check and bank statement showing check clearing date
 - Check stub or equivalent detailing invoices paid with check
 - ACH
 - Bank statement demonstrating ACH batch withdrawal
 - Accounting system report demonstrating vendors and invoice details that match ACH batch amount
 - Credit card
 - Receipt from vendor
 - Corporate card statement or employee expense report evidencing reimbursement

Review Process

ConnectMT will review each reimbursement request to ensure milestones have been met. Depending on the requested evidence, Connect MT may also validate that costs are allowable according to the statutory and regulatory provisions of the BEAD program guidance. ConnectMT will verify:

- Required documentation substantiates completion of the milestone per the budget table included in the grant contract (see Table 1 above for example);
- The costs comply with program requirements, if appropriate;
- The request is for eligible costs as per the Final Statement of Work and Budget (Exhibit B) in the subrecipient's grant agreement, if appropriate;
- The claim is adequately supported by the subrecipient's records, if appropriate; and

- The subrecipient has paid the costs, if appropriate

An adjustment will be made for any match funding.

ConnectMT will reimburse subrecipients within 30 days of complete and correct reimbursement request submission. Reimbursement delays may occur due to missing or incorrect supporting documentation.

If ConnectMT or its contractors request additional information for a reimbursement request, the subrecipient will have 10 calendar days to submit the information.

As illustrated in the example budget and disbursement milestone table above, ConnectMT will withhold 20 percent retainage of the total authorized grant amount until the project is complete and has received and approved the subrecipient's closeout report and supporting documentation.

Match Requirements and Disbursements

ConnectMT shall disburse project costs net of the percentage match requirement for each grant award. The amount of the total project costs withheld will be based on the total match requirements inclusive of all cash and in-kind facilities. In-kind facilities will be evaluated during the closing of the award and must be in place and ready to provide service to all approved BSLs. Payments made for costs determined to be unallowable by either the Department or NTIA, will be subject to recoupment of funds previously disbursed (grant funding clawbacks) in accordance with the subrecipient monitoring and management requirements identified in 2 C.F.R. Part 200 Subpart D and BEAD NOFO IV.C.1.b.

Funding Clawbacks

The Montana Department of Administration, Office of Budget Program Planning will seek to recapture any awarded grant funds through a recoupment process based on a subgrantee's failure to comply with the provisions of the Subgrantee Award Agreement, including improper expenditures identified in submitted audits, financial reports, or invoices reviewed during site visits. Other justifications include reports of fraud, waste, or abuse, inaccurate or lack of documentation of expenditures, or reporting unsatisfactory progress toward project milestones and project deadlines, units built, or completion timelines, including for environmental reviews.

Appendix A: Reimbursement Request Guide

To be updated.

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