



STATE OF NEW MEXICO

OFFICE OF BROADBAND ACCESS & EXPANSION

Office of Broadband Access and Expansion  
State of New Mexico

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**Notice of Funding Opportunity (NOFO)**  
Promoting Internet Need of New Mexicans (PINON) Grant Program  
February 28, 2025  
Version 1.2

Questions: [broadband@connect.nm.gov](mailto:broadband@connect.nm.gov)

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**A. Funding Opportunity Overview**

**1. Summary**

This Notice of Funding Opportunity (“NOFO”) formally establishes the funding availability for the Promoting Internet Needs of New Mexicans (PINON) Grant Program. The NOFO sets forth the program purpose, eligibility factors, allowable expenditures, evaluation criteria, and post-award compliance requirements.

Summary	
State Funding Opportunity Title	<ul style="list-style-type: none"> <li>Promoting Internet Needs of New Mexicans (PINON) Grant Program</li> </ul>
Federal Program Name	<ul style="list-style-type: none"> <li>State Digital Equity Grant Program (Capacity Grant Program)</li> </ul>
Administrators	<ul style="list-style-type: none"> <li><u>National Telecommunications and Information Administration</u>: Serves as the federal administering agency.</li> <li><u>Office of Broadband Access and Expansion (OBAE)</u>: Designated as the State’s Administering Entity to run the subgrantee selection process.</li> </ul>
Available Funding	<ul style="list-style-type: none"> <li><u>Funding Pool</u>: Approximately \$7.3 million. OBAE expects to make awards to Eligible Entities within a range of \$25,000 and \$500,000</li> </ul>
Cost Sharing	<ul style="list-style-type: none"> <li>The Digital Equity Act authorizing the establishment of the State Digital Equity Capacity Grant program does not contain a statutory non-federal cost sharing or matching funds requirement. Accordingly, OBAE will not require an entity applying for a financial assistance award under the PINON Grant Program to provide a non-federal cost contribution.</li> </ul>
Subaward Period of Performance	<ul style="list-style-type: none"> <li>The preferred period of performance is up to 3 years. However, subrecipients may be able to apply for a no-cost extension. Subrecipients must fully complete the work under the grant and expend the funding no later than 11/30/2029, aligning with OBAE’s legal Period of Performance of 12/1/2024-11/30/2029.</li> </ul>
Authorizing Legislation	<ul style="list-style-type: none"> <li><u>Infrastructure Investment and Jobs Act of 2021</u>: This federal legislation, also known as the Bipartisan Infrastructure Law, established the Digital Equity Act of 2021 to fund grant programs that promote digital equity and inclusion.</li> </ul>
Program purpose	<ul style="list-style-type: none"> <li>Implement New Mexico’s Digital Equity Plan and carry out digital inclusion activities</li> </ul>
Eligible Entities	<p>All applicants must be located in or registered to do business in and perform work in New Mexico.</p> <ul style="list-style-type: none"> <li>Municipal, county, and regional governments</li> <li>Tribal governments and Tribal-led entities</li> <li>Community-based organizations, non-profits, and foundations</li> <li>Higher education institutions</li> <li>State agencies and institutions</li> </ul> <p>To apply for this grant, the organization or their fiscal agent must obtain a non-proprietary Unique Entity Identifier (UEI) number from the federal System of Award Management (SAM).</p>
PINON Website	<a href="https://connect.nm.gov/pinon-grant.html">https://connect.nm.gov/pinon-grant.html</a>

Questions	Please submit questions to: <a href="mailto:broadband@connect.nm.gov">broadband@connect.nm.gov</a>
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**2. Timeline**

The following table lists the PINON Grant Program's key stages and dates. These dates could change depending on external factors (e.g., the volume of applications, coordination with NTIA) and internal factors (e.g., resources, inter-government coordination, etc.)

Stage	Description	Target Dates
Pre-Application Activities		Year 2025
Critical Materials Released	<ul style="list-style-type: none"> <li>• OBAE releases the PINON NOFO.</li> </ul>	Week of January 13
Application Window	<ul style="list-style-type: none"> <li>• Applicants submit applications for their proposed projects through an online in-take system (Submittable).</li> </ul>	January 27 – March 21
Reviewing and Curing	<ul style="list-style-type: none"> <li>• OBAE scores applications and engages in a merit and financial review.</li> <li>• Applicants may be requested to provide additional information in order for OBAE to complete the evaluation process.</li> </ul>	March 24 – June 11
Negotiation	<ul style="list-style-type: none"> <li>• OBAE contacts the highest-ranking applicants to negotiate key matters (e.g., budget, timeline, project scope)</li> <li>• OBAE may extend negotiations for an additional 30 days.</li> </ul>	May 12 – June 11
Provisional Awards Announced	<ul style="list-style-type: none"> <li>• OBAE will announce provisionally awarded projects and publish results for public comment.</li> </ul>	June 12 – August 11
Specific Project List	<ul style="list-style-type: none"> <li>• OBAE submits its Specific Project List to NTIA, which includes OBAE awarded subgrantee and corresponding projects</li> </ul>	No later than August 31

**3. Filing an Application and Program Support**

The following table provides context on filing an application and obtaining support for your questions.

Stage	Description
Application Submission	<ul style="list-style-type: none"> <li>• Applications must be submitted through the in-take portal. A link will be posted on the Connect New Mexico <a href="#">PINON</a> Landing Page.</li> </ul>
Office Hours	<ul style="list-style-type: none"> <li>• OBAE will host <a href="#">Office Hours</a> for the PINON Grant Program.</li> </ul>
Individual Meetings	<ul style="list-style-type: none"> <li>• Applicants can schedule individual 30-minute meetings with program staff. Please email <a href="mailto:broadband@connect.nm.gov">broadband@connect.nm.gov</a> to request a meeting</li> </ul>
Questions	<ul style="list-style-type: none"> <li>• OBAE welcomes questions about the NOFO, application, scoring criteria, and procedural and process issues. Please email your question to <a href="mailto:broadband@connect.nm.gov">broadband@connect.nm.gov</a>. Questions must be submitted no later than three days before the application due date.</li> </ul>

**B. Key Definitions**

Term	Definition
Aging Individual	The term “aging individual” means an individual who is 60 years of age or older.
Community Anchor Institution (CAI)	The term “community anchor institution” a public or multi-family housing authority, a library, a medical or healthcare provider, a community college or other institution of higher education, a State or Territory library agency, and any other nonprofit or governmental community support organization.
Covered Household	The term “covered household” means a household, the income of which for the most recently completed year is not more than 150 percent of an amount equal to the poverty level, as determined by using criteria of poverty established by the Bureau of the Census.
Covered Population	<p>The term “Covered Populations” means:</p> <ol style="list-style-type: none"> <li>1. Individuals who live in covered households;</li> <li>2. Aging individuals;</li> <li>3. Incarcerated individuals, other than individuals who are incarcerated in a Federal correctional facility;</li> <li>4. Veterans;</li> <li>5. Individuals with disabilities;</li> <li>6. Individuals with a language barrier, including individuals who—               <ol style="list-style-type: none"> <li>a. Are English learners; and</li> <li>b. Have low levels of literacy;</li> </ol> </li> <li>7. Individuals who are members of a racial or ethnic minority group; and</li> <li>8. Individuals who primarily reside in a rural area.</li> </ol>
Digital Equity	The term “digital equity” means the condition in which individuals and communities have the information technology capacity that is needed for full participation in the society and economy of the United States.
Digital Inclusion	<ol style="list-style-type: none"> <li>1. Means the activities that are necessary to ensure that all individuals in the United States have access to, and the use of, affordable information and communication technologies, such as—           <ol style="list-style-type: none"> <li>a. Reliable fixed and wireless broadband Internet service;</li> <li>b. Internet-enabled devices that meet the needs of the user; and</li> <li>c. Applications and online content designed to enable and encourage self-sufficiency, participation, and collaboration; and</li> </ol> </li> <li>2. Includes—           <ol style="list-style-type: none"> <li>a. Obtaining access to digital literacy training;</li> <li>b. The provision of quality technical support; and</li> <li>c. Obtaining basic awareness of measures to ensure online privacy and cybersecurity.</li> </ol> </li> </ol>

Digital Literacy	The term “digital literacy means the skills associated with using technology to enable users to find, evaluate, organize, create, and communicate information.
Disability	The term “disability” means, with respect to an individual— <ol style="list-style-type: none"> <li>1. A physical or mental impairment that substantially limits one or more major life activities of such individual;</li> <li>2. A record of such an impairment; or</li> <li>3. 3. Being regarded as having such an impairment.</li> </ol>
Rural Area	The term “rural area” means any area other than – <ol style="list-style-type: none"> <li>a. A city or town that has a population of greater than 50,000 inhabitants;</li> <li>b. Any urbanized area contiguous and adjacent to a city or town that has a population of greater than 50,000 inhabitants; and</li> <li>c. In the case of a grant or direct loan, a city, town, or incorporated area that has a population of greater than 20,000 inhabitants.</li> </ol>
Parties	
Administering Entity	The term “Administering Entity” refers to the entity selected by the governor (or equivalent official) of each State to administer the State Digital Equity Capacity Grant Program. This must be the same entity selected for the purposes of the Planning Grant Program unless the governor (or equivalent official) selects a new entity to administer the Capacity Grant Program. <b>The Office of Broadband Access and Expansion is the administering entity for New Mexico.</b> The administering entity shall— <ol style="list-style-type: none"> <li>1. Serve as the recipient of, and administering agent for, any grant awarded to a State under this program;</li> <li>2. Develop, implement, oversee, and, as applicable, update the State Digital Equity Plan for the State;</li> <li>3. Make subgrants to any entity, that is located in the State in support of: <ol style="list-style-type: none"> <li>a. The State Digital Equity Plan for the State; and</li> <li>b. Digital inclusion activities in the State generally; and</li> </ol> </li> <li>4. Serve as— <ol style="list-style-type: none"> <li>a. An advocate for digital equity policy and digital inclusion activities; and</li> <li>b. A repository of best practice materials regarding the digital equity policies and digital inclusion activities.</li> </ol> </li> </ol>
Recipient	Refers to the Office of Broadband Access and Expansion (OBAE).
Subrecipient	A subrecipient is a “non-Federal” entity such as a nonprofit organization, government agency or group that receives a subaward from the Recipient (OBAE) to carry out part of a Federal program. Also referred to as the Subawardee or Subgrantee.
Administrative Terms	

Subaward Agreement	A legal instrument of financial assistance between the Office of Broadband Access and Expansion (the awarding agency) and the subgrantee that governs the terms and conditions of the award
Period of Performance	The time interval between the start and end date of a Federal award.
Closeout	The process by which the state awarding agency determines that all commitments made in the application have been fulfilled and all compliance requirements have been met.

**C. Key Documents and Resources**

- [Federal Notice of Funding Opportunity](#): NTIA issued the [State Digital Equity Capacity Grant NOFO](#) in March 2024. The NOFO included a program description, federal award information, eligibility information, application and submission information, review process, approval process, and compliance requirements.
- [2 CFR Part 200](#): Establishes uniform administrative requirements, cost principles, and audit requirements for Federal awards to non-Federal entities.
- [New Mexico Digital Equity Plan](#): Involves a holistic plan that covers: OBAE’s vision, principles and goals; Current State of Digital Equity; Digital Equity Barriers; Digital Equity Strategies and Measurable Objectives; and Implementation Activities

**D. Federal Legislation**

The State Digital Equity Capacity Grant Program (Capacity Grant Program) had been authorized by the Infrastructure Investment and Jobs Act of 2021, also known as the Bipartisan Infrastructure Law. NTIA’s Capacity Grant Program provides funding for the implementation of Digital Equity Plans created pursuant to [47 U.S.C. §1723\(c\)](#), including the promotion of digital inclusion activities.

**1. Funding Authorized to New Mexico**

Congress appropriated \$840,000,000 for fiscal years 2022 through 2024 to fund grants under the State Digital Equity Capacity Grant Program. The funding formula for the Capacity Grant Program allocates funds based on a weighted combination of three factors: 50% based on total state population, 25% based on the number of individuals who are members of a covered population, and 25% based on the relative lack of broadband availability and adoption within the state. New Mexico received \$8.67 million.<sup>1</sup>

**2. Administering Agencies**

The law designated the National Telecommunications and Information Administration (NTIA) as the federal administering agency for the Capacity Grant Program. Therefore, New Mexico must follow requirements set by IJIA and by NTIA for Capacity Grant Program administration.

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<sup>1</sup> NTIA, State Digital Equity Capacity Grant NOFO, page 24

The Office of Broadband Access and Expansion (OBAAE) is the administering entity for the State of New Mexico. OBAAE is administratively attached to the New Mexico Department of Information Technology (NM DoIT). As such, OBAAE is responsible for designing and launching the PINON Grant Program, including the subgrantee selection process and managing the post-award process, which includes performance monitoring and reporting.

## **E. Program Description**

### **1. Overview of the Promoting Internet Needs of New Mexicans (PINON) Grant Program**

OBAAE issues this Notice of Funding Opportunity (NOFO) to describe the requirements under which it will award grants for the Promoting Internet Needs of New Mexicans (PINON) Grant Program, the subgrant that is funded with New Mexico's State Digital Equity Capacity Grant Program (Capacity Grant Program) Allocation.

The NOFO will make funds available to support subgrantees in enhancing their digital equity programs tailored for populations that are particularly vulnerable to digital exclusion. Eligible programs must support the implementation of New Mexico's Digital Equity Plan and assist the state in achieving its measurable objectives. Subgrantees are required to engage individuals from one or more of the eight covered populations identified in the Infrastructure Investment and Jobs Act of 2021.

#### ***i. Covered Populations***

1. Low-income households
2. Aging populations
3. Incarcerated individuals
4. Veterans
5. People with disabilities
6. People with language barriers
7. Racial and ethnic minorities
8. Rural inhabitants

Eligible programs and activities must address one or more of the following impact areas, key barriers, and measurable objectives.

#### ***ii. NTIA Outcomes/ Areas of Impact***

- Economic and Workforce Development
- Education
- Health
- Civic and Social Engagement
- Delivery of Other Essential Services

#### ***iii. NTIA Key Barriers***

- The availability and affordability of access to broadband technology
- Online accessibility and inclusivity of public resources and services
- Digital literacy
- Awareness of online privacy and cybersecurity

- The availability and affordability of consumer devices and technical support for those devices

**iv. *New Mexico Digital Equity Plan Measurable Objectives 5 through 9***

5. Increase the number of New Mexicans, including members of covered populations, who have access to a workable computing device and technical support.
6. Increase the number of New Mexicans, including members of covered populations, who can use the internet if they so choose.
7. Increase the number of New Mexicans, including members of covered populations, who can access information or training to learn how to protect their security and privacy online.
8. Increase the number of New Mexicans, including members of covered populations, who can access government and essential services online.
9. Increase the number of Tribal and local communities and organizations that have the resources and expertise to support and implement digital equity effort.

**F. Award Information**

**1. Funding Availability**

Eligible organizations are invited to submit applications ranging from \$25,000 to \$500,000. OBAE plans to award more than \$7.3 million through the PINON Grant.

**2. Period of Performance**

The preferred period of performance is up to 3 years. However, subrecipients may be able to apply for a no-cost extension. Subrecipients must fully complete the work of the grant and expend the funding no later than 11/30/2029, aligning with OBAE's legal Period of Performance of 12/1/2024-11/30/2029.

**3. Performance Measurement and Evaluation**

Proposed programs and activities should be based on objectives that are measurable, achievable, sustainable, timebound, and are designed to address identified disparities directly and logically. As such, subrecipients are required to incorporate program measurement and evaluation activities as part of their program design and implementation.

Per the Capacity Grant NOFO, subrecipients must collect the following data points:

- a. Number of Covered Population(s) served;
- b. Number of people served within each Covered Population;
- c. Total number of people served;
- d. Number of programs implemented by type;
- e. Anecdotal/personal testimony demonstrating the positive impact of the Program;
- f. Quantifiable evidence of progress toward the measurable objectives identified in the Digital Equity Plan;
- g. Impact on the State or Territory's goals regarding:
  - i. Economic and workforce development outcomes;
  - ii. Educational outcomes;
  - iii. Health outcomes;

- iv. Civic and social engagement; and
- v. Delivery of essential services.

#### 4. Award Amount

PINON Grant awards will be made on a competitive basis under the criteria outlined in this NOFO and will depend upon the number of applicants and the size and type of proposals submitted. OBAE expects to make individual PINON awards to Eligible Entities within a range of \$25,000 and \$500,000.

#### G. Eligible Project and Activity Types

Proposed programs, projects, and activities will support the State's efforts to achieve digital equity, promote digital inclusion activities, and spur greater adoption and meaningful use of broadband among the Covered Populations. Eligible programs must support the implementation of New Mexico's Digital Equity Plan and assist the state in achieving its measurable objectives. Eligible activities under the PINON Grant Program include:

- digital skills activities
- digital navigator activities
- device distribution activities
- technical support
- capacity-building

Up to ten (10) percent of the amount of the subgrant may be used to support affordable access. However, as directed by NTIA, any affordable access program must provide digital literacy and skills training to empower program participants on how to use digital resources effectively. <sup>2</sup>

#### H. Eligible Entities

OBAE, as the administering entity of the Capacity Grant Program, may make subgrants to any entity described in [47 U.S.C. §1723\(c\)\(1\)\(D\)](#) of the Infrastructure Act<sup>3</sup>. As such, Eligible Entities that can apply for the PINON Grant Program include the following:

- Municipal, county, and regional governments
- Tribal governments and Tribal-led entities
- Community-based organizations, non-profits, and foundations
  - Schools are ineligible to apply
- Higher education institutions
- State agencies and institutions

#### I. Eligible Expenditures

PINON grant subrecipients may only use federal award funds to pay for allowable costs under the Capacity Grant Program.<sup>4</sup> Allowable costs are determined in accordance with the cost principles identified in [2 CFR](#)

<sup>2</sup> NTIA, State Digital Equity Capacity Grant NOFO, page 36

<sup>3</sup> NTIA, State Digital Equity Capacity Grant NOFO, page 16

<sup>4</sup> NTIA, State Digital Equity Capacity Grant NOFO, page 32.

[Part 200](#), including Subpart E of such regulations and in the Capacity Grant Program’s authorizing legislation. Costs must be reasonable, necessary, allocable, and allowable for the proposed project and conform to generally accepted accounting principles. Funds committed to an award may only be used to cover the allowable costs incurred during the period of performance and allowable closeout costs incurred during the grant closeout process.

Costs that may be allowed under the PINON grant include:

- **Personnel Costs** Salaries, wages, and fringe for personnel working directly on the grant
- **Travel Expenses** For key project staff and consultants
- **Equipment & Devices** Directly related to project activity
- **Training and Outreach** For purposes necessary to meet the requirements of the award

Applicants must comply with the requirements of [47 U.S.C. §1723\(d\)\(3\)\(D\)](#) of the Digital Equity Act, the [Capacity Grant NOFO](#) and this PINON NOFO.

### 1. Ineligible Costs Designated by NTIA

The following costs are specifically identified as prohibited under the Capacity Grant Program and therefore prohibited under the PINON Grant Program:

- Supplanting and Certain Website Upgrades: A subgrant awarded under this grant program shall supplement, not supplant, other federal or State funds that have been made available to carry out activities described at 47 U.S.C. §1723 and in this NOFO. In addition, subgrantees are prohibited from using this funding to conduct website upgrades or other accessibility projects that are otherwise required by law.
- Deployment: Costs associated with deployment of broadband infrastructure to connect broadband serviceable locations. In general, deployment of broadband infrastructure to connect broadband serviceable locations should be accomplished through other programs, including the Broadband Equity, Access, and Deployment program.
- Profits, fees, or other incremental charges: A profit, fee, or other incremental charge above the actual cost incurred by a subgrantee is not an allowable cost
- Opposing or supporting collective bargaining: A subgrantee may not use grant funds – whether directly or indirectly – to support or oppose collective bargaining.
- Cost in Excess of Budget Caps
  - No more than three (3) percent of the amount of the subgrant may be used for administrative in carrying out allowable activities. The three (3) percent limit on administrative expenses includes the combined total of indirect and direct administrative costs charged to an award.
  - No more than five (5) percent of the amount of the subgrant may be used to evaluate the efficacy of the efforts.
  - No more than ten (10) percent of the total amount of the subgrant may be used for affordable broadband program support.
- Unauthorized Activities: Costs attributable to any other activities not authorized by the eligible use categories specified in the Infrastructure Investment and Jobs Act.

## 2. Ineligible Costs Designated by OBAE

OBAE designates the following expenditures as ineligible. Other potentially ineligible expenses will be listed on the program website.

- Expenditures incurred before the signed Grant Award Agreement and issuance of Purchase Order
- Payment of interest or principal on outstanding debt instruments, or other debt service costs
- Fees or issuance costs associated with the issuance of new debt
- Satisfaction of any obligation arising under or pursuant to a settlement agreement, judgment, consent decree, or judicially confirmed debt restructuring plan in a judicial, administrative, or regulatory proceeding

## J. Subgrantee Selection Process

OBAE must establish a fair, transparent, equitable, and inclusive process, consistent with New Mexico state laws and administrative requirements, for selecting and conducting risk assessments of subgrantees (see, [2 CFR 200.332\(b\)](#)). OBAE's selection processes must be made clear to potential subgrantees before subawards are made. OBAE will take deliberate steps to ensure that subgrant opportunities are accessible to a diverse range of organizations across the state.

### 1. Subrecipient Risk Assessment

OBAE must evaluate each subrecipient's risk of noncompliance with Federal statutes, regulations, and the terms and conditions. OBAE may consider the following:

- The subrecipient's prior experience with the same or similar subawards
- The results of previous audits, including whether the subrecipient receives a Single Audit in accordance with [Subpart F](#), and the extent to which the same or similar subawards have been audited as a major program
- Whether the subrecipient has new personnel or new or substantially changed systems
- The extent and results of any Federal agency monitoring (e.g., if the subrecipient also receives Federal awards directly from NTIA or another Federal Agency).

If appropriate, OBAE may also consider implementing specific conditions in a subaward (as described in [2 CFR 200.208](#)) and notify the Federal agency of the specific conditions.

### 2. Application Scoring

A team of subject matter experts will perform reviews. Each application will have at least two reviewers. During the review process, the reviewers may discuss the application with each other but not their scores, which will be determined on an individual basis. Final scores may be adjusted based on changes made during Curing.

Note: Incomplete applications will not be scored.

### 3. Evaluation Criteria for Applicant Review

#### i. Project Need, Purpose, and Benefits (35 points)

- Reviewers will assess the extent to which the applicant's proposed Digital Equity Project, including the specific activities to be implemented, addresses systemic barriers to digital equity and the state's measurable objectives, for one or more Covered Populations.
- Reviewers will assess the extent to which the project impacts, or addresses a gap in, Digital Equity outcomes as outlined by NTIA.
- Reviewers will consider the number of different identifiable Covered Populations to be served as well as the total number of individuals within the Covered Populations to be served, relative to the population of the project area.
- Reviewers will assess whether the proposed Digital Equity Project maximizes the effectiveness of the proposed activities and interventions by recognizing the intersectionality of the Covered Populations and the opportunity to serve individuals that are included in multiple Covered Population categories.

#### ii. Strength of Applicant's Organizational Capability (25 points)

- Reviewers will assess the strength of the applicant's organizational capability to implement the proposed Digital Equity Project including the programmatic and technical experience of the implementation team.
- Reviewers will assess whether the applicant has the breadth and depth of experience, as an organization, that demonstrates the experience with the Covered Populations necessary to effectively complete the proposed projects.
- Reviewers will assess the applicant's ability to manage federal grant awards effectively, either based on demonstrated management of past projects, or based on an explanation and description in the applicant's application materials indicating their capacity to do so.

#### iii. Strength of Project Implementation Plan and Budget (25 points)

- Reviewers will assess the extent to which the application demonstrates access to the resources and elements needed to fulfill the project activities.
- Reviewers will assess whether the application materials provide sufficient detail regarding the proposed Digital Equity Project, including specific activities and interventions to be conducted, to demonstrate they are achievable and are consistent with the allowable programmatic activities.
- Reviewers will assess the feasibility and appropriateness of the proposed project budget, including an assessment of whether the amounts budgeted can realistically achieve Digital Equity Project goals and whether the award funds would be used in an effective and efficient manner.
- Reviewers will consider the applicant's strategy for assessing intervention effectiveness and adjusting interventions based on lessons learned, obtaining input from beneficiaries and stakeholders to inform project adjustments, and maximize effectiveness and sustainability.

#### iv. Project Results and Evaluation (10 points)

- Reviewers will assess the extent to which the proposed evaluation strategies are achievable and capable of measuring project outcomes, including direct and indirect effects on digital inclusion.
- Reviewers will consider the applicability and/or efficacy of the proposed data collection and analysis procedures, including evaluation frequency and scope, to ensure comprehensive measurement of project outcomes

- Reviewers will assess the extent to which the applicant demonstrates its ability to support and sustain digital equity efforts beyond the award period of performance.
- v. **Braiding funding sources (5 Points)**
  - Reviewers will assess the applicant's capacity and strategy for combing funds from additional or multiple sources, such as federal, state, local, or philanthropic sources to support and enhance their Digital Equity Program. Pinon Grant funds may be used to supplement, not supplant, other funds that have been made available to the applicant to carry out digital inclusion activities.

#### **4. Curing Process**

The curing process is a review and feedback process. The curing process involves the request for further information regarding the following:

- Application data found to be missing, incomplete, redacted, unclear, or requiring clarification
- Lack of adherence to any programmatic requirement
- Shortcomings and issues found in the scoring and criteria evaluation stage
- Any new guidance from NTIA that requires OBAE to collect and/or analyze data from the applicants

Applicants will be provided with a reasonable time to respond to a curing letter and will be able to meet with program staff to understand the specific information request. The lack of a timely and/or complete response may prevent OBAE from further considering their application for an award.

#### **5. Provisional Award**

Projects that receive favorable scores and clear the curing process are then recommended for final consideration.

OBAE, in its recommendations, will consider other factors that serve the public interest, including: funding a diversity of projects across organizations and geographies; socioeconomic development priorities; broadband strategic planning activities and coordination with other state and federal funding programs; alignment with policies, programs, and priorities as recognized by the Governor of New Mexico.

OBAE will contact the most favorable-standing applicants to provide a provisional award. Please note that final awards are dependent upon NTIA approval.

#### **K. Post Award Requirements and Obligations**

Awardees are subject to several post-award requirements. Any material breach of these requirements may subject the grantee to the repayment provision.

##### **1. Reporting Requirements**

As set forth in 47 U.S.C. §1723(g)(1), subgrantees must submit, on a semiannual basis, performance (technical) and financial reports to document the project advancement and expenditures. These reports must be submitted no later than 30 calendar days following the period covered by the report.

OBAE will release specific requirements, guidance, and other supporting materials (e.g., templates) to meet these requirements. These reports will be due during the project period of performance. Further details on reporting will be provided on the program website.

## **2. Record Retention Requirements**

Subrecipients must retain all Federal award records for three years from the date of submission of their final financial report. Records to be retained include but are not limited to, financial records, supporting documentation, and statistical records. Supporting documentation, financial records, and other documents may be subject to future review.

## **3. Cybersecurity Best Practices**

Subrecipients must ensure that the planning, design, and project oversight phases of the programs and activities funded through the PINON Grant Program are consistent with current industry best practices for cybersecurity, such as the NIST Cybersecurity Framework<sup>5</sup> and Cybersecurity and Infrastructure Security Agency (CISA) Cybersecurity Performance Goals (CPGs<sup>6</sup>). These performance goals provide a baseline set of cybersecurity practices that are broadly applicable, with known risk-reduction value. OBAE reserves the right to review the cybersecurity framework of its subrecipients.

## **4. Procurement Requirements**

Subgrantees must follow applicable federal and state laws and guidelines for procurement. Subgrantees must refrain from choosing vendors debarred from conducting business with the federal government or the State of New Mexico.

## **5. Tax Obligations**

Subgrant awards and contract payments to vendors may be subject to state or federal taxes. Applicants are encouraged to consult with a tax professional and account for potential tax obligations as part of the application submission.

## **6. Clawback Provisions**

OBAE will also work with its legal advisors to ensure its grant awards contain clawback provisions. In other words, if the subgrantee fails to meet its obligations under the award, including those provided in the

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<sup>5</sup> NIST Cybersecurity Framework, <https://www.nist.gov/cyberframework/framework>

<sup>6</sup> Cybersecurity & Infrastructure Security Agency, Cross-Sector Cybersecurity Performance Goals, <https://www.cisa.gov/cross-sector-cybersecurity-performance-goals>

application, OBAE can deny a disbursement or reimbursement request, require partial or full forfeiture of PINON funds, or issue financial penalties for fraud, misconduct, or non-performance.

## 7. Robust subgrantee monitoring

OBAE must monitor the activities of the subrecipient as necessary to ensure that the subrecipient complies with Federal statutes, regulations, and the terms and conditions of the subaward.

In monitoring a subrecipient, OBAE must:

- Review financial and performance reports
- Ensure that the subrecipient takes corrective action on all significant developments that negatively affect the subaward
- Issue a management decision for audit findings pertaining only to the Federal award provided to the subrecipient as required by [2 CFR 200.521](#)
- Resolve audit findings specifically related to the subaward

OBAE may take additional actions to ensure subrecipient compliance and may use the following monitoring tools to ensure proper accountability and compliance with program requirements and achievement of performance goals:

- Providing subrecipients with training and technical assistance on program-related matters.
- Performing site visits to review the subrecipient's program operations.
- Arranging for agreed-upon-procedures and engagements and establishing standard operating procedures for subrecipient activities.

## L. Administrative Guidelines

### 1. Payment Terms

**Funding Advances:** Advance payments to a subrecipient must be limited to the minimum amounts needed and be timed with actual, immediate cash requirements of the subrecipient in carrying out the purpose of the approved program or project as per [2 CFR 200.305](#), but in no case should exceed the amount of cash required for a 30-day period.

**Funding Reimbursement:** Reimbursement is preferred when NTIA or OBAE sets a specific condition or when requested by the subrecipients. When the reimbursement method is used, OBAE must make payment within 30 calendar days after receipt of the payment request unless NTIA or OBAE reasonably believes the request to be improper ([200 CFR 200.305](#)).

### 2. Requirements to Receive Payment

OBAE staff will also validate whether the Applicant has favorable standing in New Mexico and the federal government to receive state funds. Entities must be eligible to receive payment from the State of New Mexico Department of Finance and Administration (DFA). Entities must meet the following requirements stated in the table below.

## Requirements to Receive Payment

- Updated W-9 Form
- Has a valid Federal Tax Identification Number (FEIN);
- Is not on the Federal Excluded Parties List;
- Is in Good Standing with the New Mexico Secretary of State, as applicable;
- Is not on the New Mexico Stop Payment list; and
- Automated email notification to the entity provides notice of “qualified” status or informs how to remediate a negative verification (e.g., not in good standing with the Secretary of State). A federal Debarred and Suspended status cannot be remediated.
- Pursuant to the policy of the New Mexico Office of the Comptroller, to receive grant funds from the State of New Mexico, a grantee must be considered a regarded entity by the IRS for federal income tax purposes. Disregarded entities will not be eligible to receive grant funds.

### 3. Award Agreement

Designated awardees must enter into an Award Agreement to receive grant funding. The Award Agreement serves to achieve the following objectives.

#### Award Agreement Objectives

- identify the grantor (sponsoring body) and the grantee;
- identify the funding source and award amount;
- specify the award deliverables, goals, standards and benchmarks with sufficient particularity to verify performance and to eliminate or minimize subjective assessments of performance;
- identify the administrative, financial, oversight and verification standards and processes applicable to the award;
- specify tax reporting and payment obligations applicable to the award;
- specify record keeping and reporting requirements;
- specify the amount, form and timing of the grantee’s matching contribution, if any;
- specify limitations on assignment or transfer of award rights, obligations or deliverables;
- describe ownership rights to tangible or intangible property created by the grantee pursuant to the award, including any limitations on the right to voluntarily or involuntarily transfer any property created or purchased with award funds, and reversion rights and triggers, if any;
- identify by citation or codified nomenclature any and all laws, regulations, and published guidance that govern award administration or establish program compliance obligations;
- identify by citation or codified nomenclature the procurement laws, if any, that apply to contracting with award funds;
- specify contracting documentation requirements and processes, including any approval or authorization requirements, and any non-standard contracting limitations;
- consistent with the provisions of these rules, include terms governing default; remedies; termination criteria and processes; recoupment; cure processes and standards; choice of law; remedy limitations (if any); and rehabilitation rights and processes;
- include pertinent disclaimers and notices concerning compliance obligations, including tax payments, prevailing wage laws and preferences;
- identify key deadlines;
- incorporate the terms and conditions of the NOFO;

- incorporate all statements and representations in the application as actionable representations and warranties;
- include any other covenants or conditions required by the funding source or pertinent to the requirements of a particular program;
- specify a process for the grantee to request modifications or accommodations responsive to unexpected or changed circumstances during project performance

**M. Reference Guide**

Topic	Link
New Mexico PINON Website	<a href="https://connect.nm.gov/pinon-grant.html">https://connect.nm.gov/pinon-grant.html</a>
New Mexico Digital Equity Plan	<a href="#">new_mexico_de_plan_final_ntia_accepted - 0411-05-08-2024_05-17-information technology new mexico depar-grn-002040_final.pdf</a>
Digital Equity Act Population Viewer	<a href="https://mtgis-portal.geo.census.gov/arcgis/apps/webappviewer/index.html?id=c5e6cf675865464a90ff1573c5072b42">https://mtgis-portal.geo.census.gov/arcgis/apps/webappviewer/index.html?id=c5e6cf675865464a90ff1573c5072b42</a>
NTIA State Digital Equity Capacity Grant NOFO	<a href="#">ntia_fy24_sdecgp_nofa_final.pdf</a>
State Digital Equity Capacity Handbook	<a href="https://broadbandusa.ntia.gov/technical-assistance/DE_Capacity_Recipient_Handbook_and_Appendices">https://broadbandusa.ntia.gov/technical-assistance/DE_Capacity_Recipient_Handbook_and_Appendices</a>
Uniform Guidance for Federal Awards	<a href="https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200">https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200</a>
Three Year Broadband Plan	<a href="https://connect.nm.gov/uploads/1/4/1/9/141989814/state_of_new_mexico_three-year_broadband_plan_version_2024_update_.pdf">https://connect.nm.gov/uploads/1/4/1/9/141989814/state_of_new_mexico_three-year_broadband_plan_version_2024_update_.pdf</a>

# End of Document