**Section 548.140 Specific Allowable Grant Costs**

Grant expenditures must comply with GATA, the Uniform Guidance and any applicable funding source, be reasonable and necessary, and support one of the eligible project activities set forth in Section 548.110. Specific allowable grant costs, as described in this Section, will be set forth in the applicable NOFO, based on the types of projects that are available for funding per the funding source.

a) Eligible deployment uses of funding for unserved, underserved, and community anchor institution locations include the following:

1) Construction, improvement, and/or acquisition of facilities and telecommunications equipment required to provide qualifying broadband service, including infrastructure for backhaul, middle- and last-mile networks, and multi-tenant buildings;

2) Long-term leases (for terms greater than one year) of facilities required to provide qualifying broadband service, including indefeasible right-of-use (IRU) agreements;

3) Deployment of internet and wi-fi infrastructure within an eligible multi-family residential building containing confirmed unserved and/or underserved locations;

4) Engineering design, permitting, and work related to environmental, historical and cultural reviews;

5) Personnel costs, including salaries and fringe benefits for staff and consultants providing services directly connected to the implementation of the BEAD Program (such as project managers, program directors, and subject matter experts);

6) Network software upgrades, including, but not limited to, cybersecurity solutions;

7) Training for cybersecurity professionals who will be working on BEAD-funded networks;

8) Workforce development, including registered apprenticeships and pre-apprenticeships, and community college and/or vocational training for broadband-related occupations to support deployment, maintenance, and upgrades.

b) Eligible non-deployment uses of funding for digital equity initiatives, include the following:

1) User training with respect to cybersecurity, privacy, and other digital safety matters;

2) Remote learning or telehealth services/facilities;

3) Digital literacy/upskilling (from beginner-level to advanced);

4) Computer science, coding and cybersecurity education programs;

5) Implementation of digital equity plans (to supplement, but not to duplicate or supplant, planning grant funds received by DCEO in connection with the Digital Equity Act of 2021 (47 U.S.C. 1721));

6) Broadband sign-up assistance and programs that provide technology support;

7) Multi-lingual outreach to support adoption and digital literacy;

8) Prisoner education to promote pre-release digital literacy, job skills, and online job acquisition skills;

9) Digital navigators;

10) Direct subsidies for use toward broadband subscription;

11) Costs associated with stakeholder engagement, including travel, capacity-building, or contract support;

12) Other allowable costs necessary to carrying out programmatic activities of an award, not to include ineligible costs per the BEAD NOFO.

c) Ineligible costs include those costs that are unallowable under the applicable federal cost principles. Please note that costs ineligible for the BEAD Program may not be paid for with matching funds committed to an award. If a grantee is found to have used grant or matching funds on a prohibited cost, DCEO may take remedial action, including but not limited to deobligation or claw back of funding. The following costs are specifically identified as prohibited under the BEAD Program:

1) Prohibition On Use of Grant Funds for Covered Communications Equipment or Services under the Secure and Trusted Communications Networks Act. A grantee may not use grant funds received under the BEAD Program to purchase or support any covered communications equipment or service (as defined in Section 9 of the Secure and Trusted Communications Networks Act of 2019 (47 U.S.C. 1608)).

2) Prohibition on Profit and Fees. A profit, fee, or other incremental charge above actual cost incurred by the grantee is not an allowable cost under this Program.

3) Prohibition on Use of Grant Funds to Support or Oppose Collective Bargaining. Grantees may not use grant funds, whether directly or indirectly, to support or oppose collective bargaining.

(Source: Added at 48 Ill. Reg. 7690, effective May 8, 2024)