



# Fixed Amount Subaward (FASA) Match

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

This document is intended solely to assist recipients in better understanding the Broadband Equity, Access, and Deployment (BEAD) Program and the requirements set forth in the [Notice of Funding Opportunity \(NOFO\)](#) and [BEAD Restructuring Policy Notice](#). This document does not and is not intended to supersede, modify, or otherwise alter applicable statutory or regulatory requirements, the terms and conditions of the award, or the specific application requirements set forth in the NOFO and Restructuring Policy Notice. In all cases, statutory and regulatory mandates, the terms and conditions of the award, the requirements set forth in the NOFO, and follow-on policies and guidance, shall prevail over any inconsistencies contained in this document.



# Fixed Amount Subaward (FASA) Match

The National Telecommunications and Information Administration (NTIA) offers this resource to Broadband Equity, Access, and Deployment (BEAD) Program grant recipients to provide guidance on fixed amount subaward (FASA) match. For more information, refer to the [Uniform Guidance Policy Notice](#), which allows FASAs while still requiring match; the [BEAD Notice of Funding Opportunity \(NOFO\)](#); and [Understanding In-Kind Match](#).



## WHAT IS THE BEAD MATCH REQUIREMENT?

Match, also known as cost share, is the portion of a project's cost not paid by federal funds. A matching contribution can either be cash or in-kind (non-cash donation). BEAD Program match requirements include:

- ✓ Minimum 25 percent match for deployment projects, exclusive of “high-cost areas”
- ✓ Any funds provided as match for deployment projects must stay with the project and cannot be allocated to other program activities (i.e., match cannot be aggregated)

For more information about match requirements, refer to [2 CFR 200.306](#).

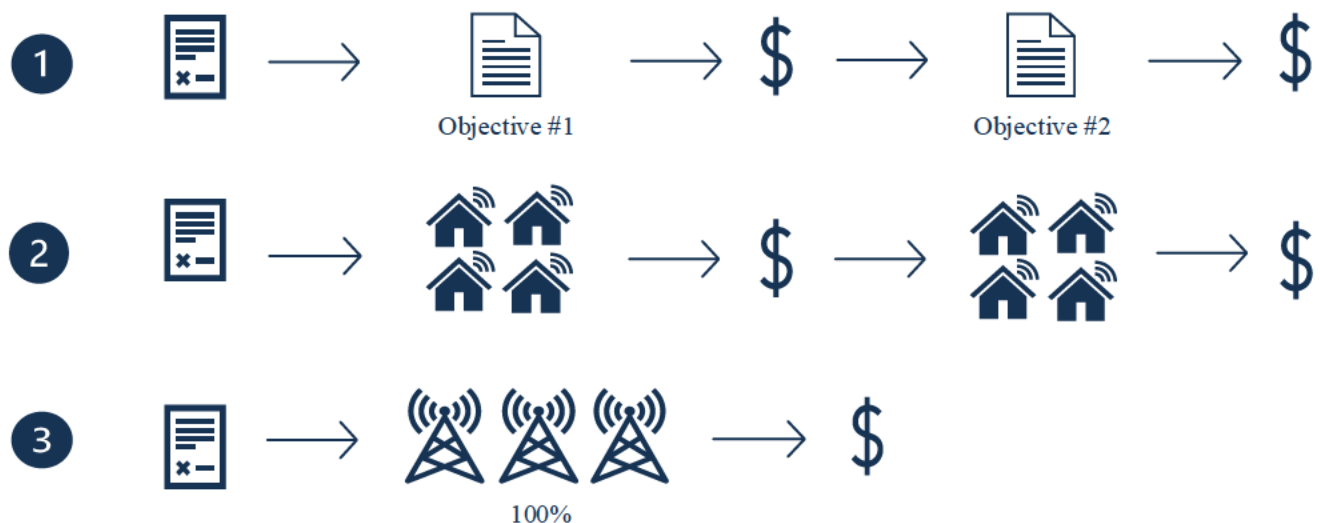


## WHAT IS A FIXED AMOUNT SUBAWARD?

A **fixed amount subaward (FASA)** is a type of grant agreement where the recipient pays the subrecipient based on performance and results, rather than the actual, allowable costs the subrecipient incurs.<sup>1</sup> It is one of three BEAD Program payment structures, all of which require the 25 percent BEAD Program match. For more information about FASAs, refer to the [Fixed Amount Subaward Overview](#).

The [Uniform Guidance Policy Notice](#) describes three reimbursement methods for FASAs, as shown in **Figure 1**: 1) reimbursement per objective met, 2) reimbursement through unit built, and 3) reimbursement once the total project is complete.

**Figure 1: FASA Reimbursement Methods**



1. Recipients should structure milestone payments to incentivize project completion. Final payment milestones should be sufficiently large to account for the cost of serving the most expensive Broadband Serviceable Locations within the project.

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## BEAD PAYMENT STRUCTURE TYPES

The BEAD Program has three payment structure types: FASA, FASA with Receipt Review, and traditional reimbursement. Per the [General Terms and Conditions for the NTIA BEAD Program Funds](#), subrecipient award agreements must include how the recipient will monitor the subrecipient’s non-federal share requirements, such as:

- ✓ The subrecipient match amount and how the subrecipient will provide the match.
- ✓ How the match will be reported to the recipient and verified through documentation.
- ✓ How the recipient will verify the match is met and evaluated with payment milestones.

The differences between the three payment structures and their match considerations are described in **Table 1**.

**Table 1: BEAD Payment Structure Types**

Award Type	Description	Match Considerations <sup>2</sup>
<b>Fixed Amount Subaward (FASA)</b>	<ul style="list-style-type: none"> <li>• Payment is based on meeting specific award requirements, objectives, or programmatic milestones.</li> <li>• Only allowed for BEAD projects where the major purpose is deployment.</li> <li>• Subrecipients are entitled to receive the full contracted funding amount, so long as the terms of the agreement are met.</li> </ul>	<ul style="list-style-type: none"> <li>• Match amount remains the stated amount in the subgrant agreement (minimum 25%) regardless if the subrecipient spends less than expected.</li> </ul>
<b>FASA with Receipt Review<sup>3</sup></b>	<ul style="list-style-type: none"> <li>• This is a FASA award with programmatic milestones but also requires actual cost review via receipts.</li> <li>• Payment based on meeting specific award requirements, objectives, or programmatic milestones.</li> <li>• How and when the match must be expended and reported should be detailed in the subgrant agreement.</li> </ul>	<ul style="list-style-type: none"> <li>• If the subaward agreement states the subaward is only required to have proportional match for the federal funds expended, the recipient could <b>decrease the match amount</b> appropriately through a budget modification or scope change.</li> <li>• If the subaward agreement states the subaward is required to meet the match amount stated in the agreement, the <b>match is not modified</b> and the subrecipient is required to meet the match.</li> </ul>
<b>Traditional Reimbursement</b>	<ul style="list-style-type: none"> <li>• This is traditional grants management where costs incurred are reimbursed afterwards using receipts. Reimbursements are typically reviewed on a rolling basis</li> <li>• Match is validated in proportion to the federal drawdown.</li> </ul>	<ul style="list-style-type: none"> <li>• Match amount is based on the total amount allocated (minimum 25%) but may require <b>true-up at closeout</b>, dependent upon expenditures.</li> </ul>

2. Match percentages may be reduced before or after a subgrant agreement has been signed as long as the BEAD outlay remains the same and match does not fall below the statutorily mandated 25%. Regardless of the match amount, the subgrantee must still be able to complete the deployment project with the federal share they agreed to in the subgrantee agreement. Additionally, changes to the match amount for a deployment project require a budget modification, see the [BEAD Scope Change and Budget Modification Guidance for Eligible Entities](#) for more information.

3. Per the [Tailoring the Application of the Uniform Guidance to the BEAD Program](#) policy notice, “Eligible Entities thus may treat subawards providing for a maximum payment amount that is based on a reasonable estimate of actual cost (see 2 CFR 200.201(b)(1)) as fixed amount subawards, even if the subaward agreement also provides that payments to the subrecipient will be limited to actual costs after review of evidence of costs. Subrecipients that receive fixed amount subawards pursuant to this Policy Notice are not required to comply with the cost principles under the *Uniform Guidance*.”

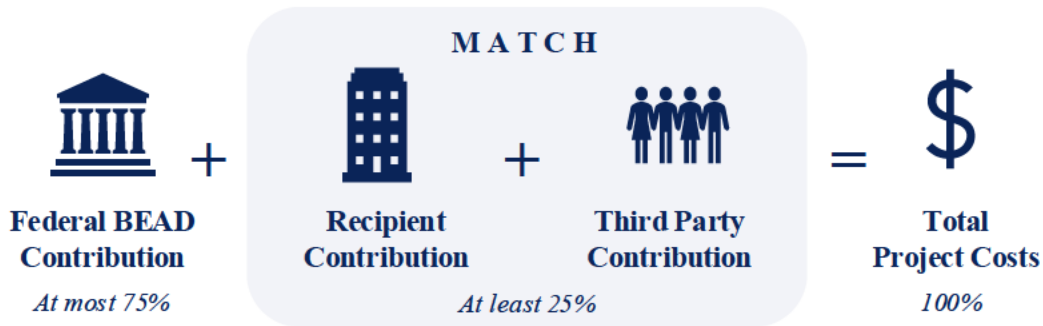
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## MATCH CALCULATION

The recipient contribution and the third party (subrecipient) contribution must be at least 25 percent of total project costs, while the federal BEAD contribution may be no more than 75 percent, as illustrated in **Figure 2**. When feasible, recipients should incentivize matches of greater than 25 percent from subrecipients.

**Figure 2: BEAD Project Match**



## SUBRECIPIENT MATCH EXAMPLES

Determining the subrecipient match may vary by payment structure and subrecipient agreement. **Table 2** provides examples of how subrecipient match may be calculated if final project costs are different from initial project costs in the subgrant agreement.

**Table 2: Subrecipient Match Examples<sup>4</sup>**

Payment Structure	(A) Initial Project Cost	(B) Initial Match Amount $(A * 0.25) = B$	(C) Final Project Cost	(D) Final Match Amount $(A * 0.25) = B$
FASA	\$1,000,000.00	\$250,000.00 $(A * 0.25) = B$	\$900,000	\$250,000 $(A * 0.25) = B$ Remains initial match amount
FASA with Receipt Review with Proportional Match	\$1,000,000.00	\$250,000.00 $(A * 0.25) = B$	\$900,000	\$225,000 $(C * 0.25) = D$ Submit budget modification
FASA with Receipt Review without Proportional Match	\$1,000,000.00	\$250,000.00 $(A * 0.25) = B$	\$900,000	\$250,000 $(A * 0.25) = B$ Must meet initial match amount
Traditional Reimbursement	\$1,000,000.00	\$250,000.00 $(A * 0.25) = B$	\$900,000	\$225,000 $(C * 0.25) = D$ True up at closeout

4. Depending on how the FASA agreement was written, it is possible that the agreement states the subrecipient must meet the stated match no matter the final project cost.

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## MONITORING SUBRECIPIENT COSTS

The [Uniform Guidance Policy Notice](#) states, “Because fixed amount subawards must be based on a reasonable estimate of actual cost, the authority to issue fixed amount subawards is conditioned upon a requirement that the [recipient] monitors the reasonableness of the subrecipient costs.”

The measures recipients can use to validate that FASAs reasonably approximate the actual cost of broadband infrastructure projects include, but are not limited to:

- Requiring subrecipients to periodically report their expenses using [Generally Accepted Accounting Principles](#) or other standard accounting practices, or
- Monitoring the proportional costs across the key spending areas:
  - Professional services
  - Construction services
  - Outside plant, towers, and poles
  - Network and access equipment
  - Operating equipment
  - Customer premise equipment
  - Contingency funds
  - All other expenses

In addition, recipients can use a variety of methods to monitor the reasonableness of subrecipient costs based upon the match type, as listed in [Table 3](#).

**Table 3: Methods for Monitoring Subrecipient Costs by Match Type**

Match Type	Methods
Cash	<ul style="list-style-type: none"><li>• Request subrecipient bank or financial statements, showing available and expended funding.</li><li>• Require receipts from disbursements.</li></ul>
In-Kind	<ul style="list-style-type: none"><li>• For volunteer services where the rate must not exceed fair market value, use federal tools such as the <a href="#">Bureau of Labor Statistics</a> to determine wage rate information. To the extent feasible, require similar methods to record time as an organization would for paid labor, such as timesheets and timecards.</li><li>• For reduced rates from consultants and other individuals, consider comparing current charges against standard or set labor category rates.</li><li>• For facility in-kind match, verify amount against current mortgage statements or rental rates.</li></ul>
Both	<ul style="list-style-type: none"><li>• Ensure subrecipient records include the source, amount, quantity, time, and delivery of each match service.</li><li>• Compare actual match against Letters of Commitment.</li></ul>



## ADDITIONAL QUESTIONS?

For additional questions related to FASA match, please contact your Federal Program Officer.