

Coronavirus Capital Projects Fund

Frequently Asked Questions

AS OF JANUARY 4, 2022

This document contains answers to frequently asked questions (FAQ) regarding the Coronavirus Capital Projects Fund (CPF), established by Section 604 of the Social Security Act, as added by Section 9901 of the American Rescue Plan Act of 2021. This FAQ document clarifies CPF Guidance for States (defined to include the District of Columbia and Puerto Rico), Territories, Freely Associated States, and Tribal Governments (the Guidance), and does not supersede the Guidance except as noted. Terms used in the FAQ but not defined herein have the meaning specified in the Guidance.

Treasury will be updating this document periodically in response to questions received from stakeholders; changes will be clearly marked. Recipients and stakeholders should consult Treasury's [CPF Guidance for States, Territories, and Freely Associated States](#) and [CPF Guidance for Tribal Governments](#) for additional information.

- For overall information about the program, including information on requesting funding, please see <https://treasury.gov/CPF>
- For general questions about CPF, please email CapitalProjectsFund@treasury.gov

Questions added 1/4/22: 2.9, 3.2, 3.6, 4.2, 4.3, 4.4, 4.8, 4.9, 4.12, 6.2, 6.3, 8.3 (noted with “[1/4]”)

1. Eligibility and Allocations

1.1. Which governments are directly eligible for funds?

The following governments are eligible to apply for CPF grants:

- The 50 states, the District of Columbia, and Puerto Rico (the States)
- Tribal governments and the State of Hawaii (for Native Hawaiian Programs)
- The United States Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau

1.2. Are cities and counties eligible to apply for CPF grant funds?

No. The Capital Projects Fund makes grant funds available to States (defined to include the District of Columbia and Puerto Rico), territories, freely associated states, and Tribal governments. While cities and counties are not directly eligible recipients, Treasury

encourages direct recipients of CPF grants to engage with communities when planning for the use of grant funds.

1.3. Are libraries and other community centers eligible to apply for CPF grant funds?

No. The Capital Projects Fund makes funds available to States, territories, freely associated states, and Tribal governments. While libraries and other community centers are not eligible to apply, Treasury encourages direct recipients of CPF grants to engage with communities when planning for the use of grant funds.

1.4. What is the grant period of performance?

A recipient may use CPF grant funds to cover costs incurred beginning March 15, 2021 and ending December 31, 2026.

For pre-award costs incurred after March 15, 2021, but prior to execution of the Grant Agreement, CPF recipients are required to provide reasonable assurance that the costs were incurred pursuant to the negotiation of and in anticipation of the CPF grant award and are necessary for the efficient and timely performance of the program.

1.5. When will CPF recipients receive grant awards?

Treasury will make CPF grant funds available to States, territories, and freely associated states once the Grant Agreement is provided and a Grant Plan (containing at least one Program Plan) is reviewed and approved by Treasury. Only one Grant Agreement must be executed per State, territory, and freely associated state. For States, territories, and freely associated states, funds will be released to the recipient on an advance basis as requested by CPF recipients, rather than as a single lump sum for the total amount allocated to the State, territory, or freely associated state at the time of approval.

Treasury will make requested Capital Projects Fund administrative funds (up to 5% of total allocated funds, as indicated by the recipient in the application) available to States, territories, and freely associated states once the Grant Agreement is executed. Additional funds will be made available for project costs as related Program Plans are approved.

Tribal governments will receive CPF funds once an application is reviewed and Grant Agreement is executed.

2. Applications, Grant Plans, and Project Plans

2.1. What is the deadline to apply for CPF grants?

States, territories, and freely associated states must submit applications by December 27, 2021 to receive funding under the Capital Projects Fund. These entities must also submit Grant Plans and Program Plans by September 24, 2022.

Tribal governments must submit applications by June 1, 2022 to receive funding. Tribal governments do not need to submit a separate Grant Plan.

2.2. Will Treasury review CPF applications on a rolling basis?

Yes. Treasury will review applications upon submission and make CPF grant funds available upon approval.

2.3. What is the deadline for CPF recipients to submit a Grant Plan?

States, territories, and freely associated states must submit Grant Plans, including one or more Program Plans, by September 24, 2022.

Tribal applicants do not need to submit a separate Grant Plan.

2.4. When must CPF grant funds be expended?

All funds must be expended by December 31, 2026, which is the end of the period of performance. Recipients must return to Treasury any grant funds that are not used by the end of the period of performance on December 31, 2026. Treasury may, in its sole discretion, grant extensions to the period of performance upon request from CPF recipients.

2.5. For State, territory, and freely associated state applicants, what is an “Authorized Representative”?

An Authorized Representative is an individual who will sign the CPF application, necessary certifications, and the Grant Agreement on behalf of the eligible applicant. For States, territories, and freely associated states, the Authorized Representative will be one of the following:

- An individual who is duly authorized by law (such as the Governor). In some cases, Treasury may request documentation confirming the status of the duly authorized individual.
- An individual who has been granted authority to act on behalf of the eligible applicant by someone who is duly authorized to delegate such authority. A designation letter showing the delegation of authority must be provided to

Treasury. The letter must provide the Authorized Representative authority to act on behalf of the eligible applicant to apply for and execute a CPF grant, and to enter into agreements on behalf of the eligible applicant. The designation letter must be signed by a person who is duly authorized by virtue of their position (such as the Governor) to delegate such authority.

2.6. Can eligible CPF recipients modify a submitted Grant Plan?

Recipients may submit or modify Grant Plans prior to the deadline. Updates to Grant Plans will be subject to review and approval by Treasury.

2.7. Can the Grant Plan be submitted at the same time as the application (i.e., before the Grant Agreement is executed)?

Treasury will not review a Grant Plan until an eligible State, territory, or freely associated state application has been approved. An eligible State, territory, or freely associated state may submit a Grant Plan prior to executing the Grant Agreement, but no funds other than the administrative funds will be available to the recipient until the Grant Agreement has been executed and the Grant Plan approved. Funds for project costs will be made available as related project plans are approved.

For Tribal governments, the initial application for the CPF grant will also serve as the Grant Plan. After approval of the Tribal application, funds will be made to the Tribal government.

2.8. What should State, territory, and freely associated state recipients include in a Program Plan?

Program Plans can be a framework for how the State, territory, or freely associated state will utilize CPF funds. A Program Plan may propose funding for multiple, individually related projects or subgrants that all serve a common objective (e.g., Broadband Infrastructure). In the Program Plan, recipients are not expected to submit information about each individual project or subgrant, however project level data will be gathered during the reporting phase.

Additional information regarding CPF grant and Program Plans will be made available in the coming weeks. Future updates will be posted on the CPF landing page: <https://treasury.gov/CPF>.

2.9. How does Treasury categorize costs associated with completing the CPF application and Grant Plan? [1/4]

Treasury categorizes costs associated with completing the CPF application as program administrative costs. In addition, for States, territories, and freely associated states, Treasury categorizes costs associated with the development of the Grant Plan (including Program Plans) as program administrative costs. This classification marks a change from

the CPF Guidance for States, Territories, and Freely Associated States and CPF Guidance for Tribal Governments posted in September 2021. By making this change, Treasury aims to ease the burden on CPF recipients by making funds available for these costs sooner. Non-Tribal government recipients may now access program administrative funds to pay for these costs upon execution of the Grant Agreement.

As a reminder, CPF recipients may use up to five percent of the total grant award amount or \$25,000 (whichever is greater) for program administrative costs unless a CPF recipient receives written approval from Treasury.

This change is effective immediately; Treasury will update the Guidance to reflect this modification.

3. Tribal Governments

3.1. How has Treasury determined the amount each Tribal government will receive in CPF grant funding?

Each Tribal government and the State of Hawaii (for Native Hawaiian Programs) are allocated an equal amount of approximately \$167,504 in line with the statutory text, which requires Treasury to allocate funds to these governments in “equal shares.”

3.2. For Tribal government applicants, who is an “Authorized Representative”? [1/4]

For Tribal governments, an “Authorized Representative” is the individual who will sign the necessary application certifications and the Grant Agreement on behalf of the eligible applicant.

There are two types of Authorized Representatives for Tribal governments:

1. an individual who is duly authorized by virtue of his or her position in the Tribal government (e.g., Tribal leader, chief executive officer), or
2. an individual who has been designated authority to act on behalf of the eligible applicant by a duly authorized Tribal official.

For the second type, a designation letter must be submitted on official letterhead by the duly authorized Tribal official that specifically delegates responsibilities related to a Capital Projects Fund grant. These responsibilities include certifying the application and executing the Grant Agreement on behalf of the eligible Tribal government.

Tribal governments may apply on behalf of other Tribal governments, and joint Tribal organizations (e.g., Tribal consortiums) may apply on behalf of multiple Tribal governments. A designation letter, as described above, must be submitted by each Tribal government that delegates responsibilities to the external entity applying on their behalf.

For example, if Tribal Consortium W is applying on behalf of Tribal governments X, Y, and Z, Treasury must receive three designation letters on official letterhead, one from each Tribal government's duly authorized Tribal official (X, Y, and Z) that states that Tribal Consortium W has permission to act on their behalf. Tribal Consortium W should upload these letters to [Treasury's Submission Portal](#).

3.3. Can a Tribal government apply for CPF grants through another Tribal government or consortium?

Yes. Tribal governments may apply on behalf of other Tribal governments, and Tribal consortiums and similar joint Tribal organizations may also apply on behalf of multiple Tribes. If any entity (a different Tribal government, a consortium, etc.) is applying on behalf of an eligible applicant, the eligible applicant must grant the other entity the authority to apply and enter into agreements on their behalf. A designation letter must be submitted to show that the eligible applicant has authorized this other entity.

3.4. Do Tribal governments need to submit a Grant Plan?

The application for the Capital Projects Fund will also serve as the Grant Plan for Tribal governments. Tribal governments do not need to submit separate Grant Plans.

3.5. Can a State award CPF grant funding to a Tribal government as a subrecipient?

Yes. A State may award CPF grants to subrecipients. Subrecipients may include other levels or units of government, nonprofits, private entities, or Tribal governments.

Tribal governments are also eligible to apply for CPF grants directly, as each Tribal government and the State of Hawaii (for Native Hawaiian Programs) are allocated an equal amount of approximately \$167,504 in line with Section 604 of the [American Rescue Plan Act of 2021](#).

3.6. Can Tribal governments use their entire CPF award towards planning for a project that is primarily funded by other sources? [1/4]

Yes. Tribal government recipients may use a portion or all of their CPF grant award towards planning for a project that is primarily funded by other sources. Tribal government recipients must ensure that the target project complies with CPF statutory requirements, all other applicable federal statutes, regulations, executive orders, and [Treasury's CPF Guidance for Tribal Governments](#). Specifically, the target project must be designed to address a critical need in the community and directly enable work, education, and health monitoring in response to the COVID-19 public health emergency. The project must also be operational before the end of the period of performance (December 31, 2026). Tribal government recipients should ensure that the target project is an acceptable use of funds for the other funding source(s).

Treasury will review the Tribal government’s CPF application and may request additional information. Tribal governments may be required to report on the project and should expect additional details in forthcoming reporting guidance.

4. Eligible Uses - General

4.1. Can CPF recipients use funds for administrative purposes?

Yes. CPF recipients may use funds for program administrative costs, which include both indirect and direct administrative costs. This amount may not generally exceed five percent of the total requested grant amount, or \$25,000, whichever is greater. Recipients may request a higher limit on program administrative costs by providing to Treasury, for its consideration, the rationale for the use of additional funds for administrative purposes.

4.2. Do program administrative costs need to be pre-approved by Treasury? [1/4]

No, program administrative costs do not need to be pre-approved by Treasury; however, CPF recipients are required to report on the usage of funds for these costs. Additional information will be provided in forthcoming reporting guidance.

4.3. Can program administrative funds be reallocated and used for project costs? [1/4]

Yes. CPF recipients may reallocate funds they initially intended to use for program administrative costs to instead be used for project costs. Changes to the amount of funds expended on program administrative costs should be made in a timely manner and promptly reflected in their Grant Plan (i.e., allocation table and Program Plan(s)) and in subsequent reporting. Updates to a non-Tribal government recipient Grant Plan can be made at any time prior to the end of the period of performance (December 31, 2026) through [Treasury’s Capital Projects Fund Submission Portal](#), and are subject to review and approval by Treasury.

Tribal governments should document this change during the reporting phase.

4.4. How does Treasury differentiate between subrecipients and contractors? [1/4]

Treasury follows the Uniform Guidance ([2 CFR § 200.1](#)) definitions of “subrecipients” and “contractors” and uses [2 CFR § 200.331](#) to differentiate between them.

For purposes of CPF, a “subrecipient” is an entity that receives a subaward from a CPF recipient to carry out a capital project on behalf of the CPF recipient. Subrecipients may include, but are not limited to, other levels or units of government, non-profits, or private entities. CPF recipients remain responsible for reporting to Treasury on their subrecipients’ use of funds. CPF recipients are also responsible for monitoring and overseeing subrecipients’ use of funds and other activities related to the award to ensure

that the subrecipient complies with the statutory and regulatory requirements and the terms and conditions of the award.

A “contractor” is an entity that receives a contract by which a CPF recipient or subrecipient purchases property or services needed to carry out a CPF project or program. For example, CPF recipients may award contracts to other entities—contractors—in order to build, modify, or improve a capital asset.

4.5. Can direct recipients of CPF grants award funds to subrecipients in the form of subgrants?

Capital Projects Fund recipients may award funds in the form of subgrants to subrecipients, such as other levels or units of government (e.g., municipalities, counties), non-profits, private entities, or Tribal governments. Recipients are responsible for ensuring that subrecipients comply with the statutory and regulatory requirements and the terms and conditions established by Treasury’s CPF guidance.

4.6. Do subrecipients of CPF funds have to comply with CPF guidance?

Yes. Subrecipients receive a subaward from a recipient to carry out a Capital Project on behalf of the recipient with their federal award funding and must comply with CPF guidance. Additionally, direct recipients of CPF grants are responsible for ensuring that subrecipients comply with the statutory and regulatory requirements and the terms and conditions established by Treasury’s CPF guidance.

4.7. Can a CPF grant recipient allocate its entire allocation to a single program and award subgrants to subrecipients?

Yes. A recipient may use the allocated funding for a single eligible program that awards subgrants to subrecipients.

4.8. Are subrecipients of CPF grant funds capped at five percent of their subaward for program administrative costs? [1/4]

CPF recipients may use up to five percent of the total CPF grant award or \$25,000 (whichever is greater) for program administrative costs, which includes any CPF grant funds that subrecipients use for program administrative costs. In other words, the total of the CPF recipient’s program administrative costs and each subrecipient’s program administrative costs may not exceed five percent of the total CPF grant award unless a CPF recipient receives written approval from Treasury.

4.9. Are pre-award costs incurred by a subrecipient preparing an application an allowable use of CPF grant funds? [1/4]

Yes, but only if the subrecipient is successful in receiving a CPF subaward from a CPF recipient. CPF recipients should categorize a subrecipient's pre-award costs associated with preparing an application as a project cost as these costs will be incurred for individual projects. Note that if an entity incurs pre-award costs as part of a competitive selection process but is not ultimately selected as a subrecipient, its pre-award costs may not be reimbursed using CPF grant funds.

4.10. Can funds be used to pay staff salaries and benefits?

Salaries and benefits may qualify as program administrative costs or project costs, depending on the work being performed. Personnel costs required for administering CPF awards, including salaries and benefits to staff and consultants, are an allowable use of funds under the program administrative cost category (e.g., program directors, subject matter experts, equity consultants, grant administrators, financial analysts, accountants, and attorneys). Personnel costs required for carrying out a Capital Project are also allowable use of funds under the project cost category (e.g., project managers, construction labor, architects, environmental engineers, network engineers).

However, CPF grant funds may not be used for operating expenses, which includes the salaries of staff operating the capital project once it is completed.

4.11. Can funds be used to convert buildings into Multi-Purpose Community Facilities?

CPF recipients may construct or improve buildings that jointly and directly enable work, education, and health monitoring in response to the COVID-19 public health emergency.

4.12. Can CPF grant funds be used for environmental reviews? [1/4]

Yes. Costs associated with conducting environmental reviews for an eligible project are considered project costs.

CPF recipients are responsible for complying with all applicable environmental laws and regulations applicable to projects supported by CPF grant funding. CPF recipients must also retain records, permits, and documentation necessary to evidence compliance with all environmental requirements.

Treasury has developed an environmental checklist to assist CPF recipients in conducting due diligence related to compliance with environmental laws.

5. Eligible Uses - Broadband

5.1. Can a program fund a presumptively eligible Broadband Infrastructure Project in an area where there is an existing enforceable federal funding commitment?

If a recipient is considering using Capital Projects Fund grant funds in areas where there is an existing enforceable funding commitment for service that meets or exceeds 100Mbps download by 20Mbps upload, the recipient must ensure CPF grant funds will not be used for costs that will be reimbursed by the other federal or state funding streams. Additionally, CPF grant funds must be used only for complementary purposes.

5.2. Is fiber-optic infrastructure the only eligible broadband investment?

CPF recipients are encouraged to prioritize investments in fiber-optic infrastructure where feasible, as such advanced technology better supports future needs. To be presumptively eligible for funding, Broadband Infrastructure Projects must be designed to deliver, upon project completion, service that reliably meets or exceeds symmetrical download and upload speeds of 100 Mbps, unless impracticable.

5.3. Are middle-mile broadband projects an eligible use of CPF grant funding?

CPF recipients may use funds for middle-mile broadband grant projects. However, Treasury encourages recipients to focus on projects that will achieve last-mile connections and those considering funding middle-mile projects are encouraged to have commitments in place to support new and/or improved last-mile service.

5.4. How should a CPF recipient determine the threshold of affordability for broadband connectivity?

Treasury's CPF guidance provides flexibility for recipients of CPF grant funds to best determine the threshold of affordability for their communities. CPF recipients are encouraged to consult with the community as part of the process they undertake to consider affordability and are required to publish the description of their methods for considering affordability in their project selection process. Treasury will also require CPF recipients to report pricing data as part of program performance and monitoring. CPF recipients are also required to ensure that service providers for completed CPF funded Broadband Infrastructure Projects participate in the Federal Communications Commission's Affordable Connectivity Program, which provides eligible households with discounts on broadband internet access services and devices.

5.5. How does a recipient of CPF grant funds demonstrate that technical standards established in the CPF guidance are impracticable because of geography, topography, or excessive cost?

Treasury gives CPF recipients the flexibility to provide a range of data and other information to demonstrate impracticability. CPF recipients should provide this information in the Grant Plan.

6. Reporting

6.1. What reporting will be required for CPF grant recipients?

All recipients of CPF grants are required to submit **project and expenditure reports**. These reports will generally include, but are not limited to, data regarding projects, expenditures, project status, subawards, equity indicators, community engagement efforts, programmatic data, and other measures as determined by Treasury.

States, territories, and freely associated states will submit project and expenditure reports quarterly. Tribal governments will submit project and expenditure reports annually.

States, territories, and freely associated states (but not Tribal governments) are also required to submit **annual performance reports**. Annual performance reports must include data related to program outputs and outcomes against the stated objectives of the recipient's Grant Plan.

Specific reporting deadlines will be provided to recipients at the time of application approval. Treasury will release additional reporting guidance in the coming weeks which will be available on the [CPF website](#).

6.2. What data should a State, territory, and freely associated state recipient collect to facilitate compliance with its reporting requirements? [1/4]

Treasury will provide detailed reporting instructions, including reporting timelines, in forthcoming reporting guidance.

Quarterly Reports: At a minimum, State, territory, and freely associated state recipients should collect and be prepared to provide the following for *quarterly* project and expenditure reports:

- Project description;
- Project location(s);
- Project start and end date;
- Project status;
- Project expenditures;
- Number of households, businesses, and anchor institutions to be served;

- Location of communities to be served; and
- Description of how equity and community engagement activities informed project selection and design.

Additionally, States, territories, and freely associated states using CPF grant funds for *Broadband Infrastructure Projects* should collect and prepare the following information for each project:

- Whether the project is designed to, upon completion, reliably meet or exceed symmetrical 100 Mbps download and upload speeds;
- Technology type;
- Project ownership (e.g., private, public private partnership, municipal government, tribal government, non-profit, cooperative);
- Miles of fiber;
- Whether each location served is residential, commercial, or a community anchor institution; and
- Pricing offered (speed tiers to be offered, including the speed/pricing of its affordability offering).

More information will be released at a later date regarding specific reporting requirements applicable to other grant use types (Digital Connectivity Technology projects, Multi-Purpose Community Facility projects, and projects determined to be eligible based on case-by-case review).

Annual Reports: At a minimum, State, territory, and freely associated state recipients should collect and be prepared to provide the following for *annual* reports:

- Narrative response outlining progress towards objectives submitted in the application and Grant Plan (including Program Plan(s));
- Number of households served by the capital asset upon project completion (e.g., number of households with broadband access; number of households receiving devices through loan out programs; number of households with access to work, education, and health monitoring activities and services offered, etc.);
- Summary of community engagement and public participation activities conducted to solicit input from and/or partner with communities from the past year that informed the definition of critical need for program(s) and projects; and
- Summary of future community engagement and public participation activities planned for the upcoming year that will continue to shape program and project selection, implementation, and operation.

In the forthcoming reporting guidance, Treasury will provide additional information about what will be required by quarterly and annual reports. CPF recipients will be notified when the reporting guidance is publicly available on the [CPF website](#).

6.3. What data should Tribal government recipients collect to facilitate compliance with its reporting requirements? [1/4]

Treasury will provide detailed reporting instructions, including reporting timelines, in forthcoming reporting guidance for Tribal governments. Tribal governments will have a unique set of reporting guidelines separate from State, territory, and freely associated state CPF recipients.

Annual Reports: At a minimum, Tribal government recipients should prepare and collect the following, among other data, for *annual* reports:

- Project description;
- Project location(s);
- Project start and end date;
- Project status;
- Project expenditures;
- Number of households, businesses, and anchor institutions to be served; and
- Location of communities to be served.

Additionally, Tribal governments using CPF grant funds for *Broadband Infrastructure Projects* may be required to provide the following information for each project in the *first annual report* after a program has been approved by Treasury:

- Whether the project is designed to, upon completion, reliably meet or exceed symmetrical 100 Mbps download and upload speeds;
- Technology type;
- Project ownership (e.g., private, public private partnership, municipal government, tribal government, non-profit, cooperative);
- Miles of fiber;
- Whether each location served is residential, commercial, or a community anchor institution; and
- Pricing offered (speed tiers to be offered, including the speed/pricing of its affordability offering).

For other uses of funds, more information will be released at a later date. CPF recipients will be notified when the reporting guidance is publicly available on the [CPF website](#).

7. Miscellaneous

7.1. What are examples of eligible “health monitoring” services?

Treasury defines health monitoring services as, “services to monitor an individual’s health, including with respect to either physical or behavioral health.” This can include, but is not limited to, services such as telemedicine appointments or community health screenings.

CPF recipients should review the CPF guidance to determine if their program or project is eligible. Treasury will evaluate all projects that are not presumptively eligible on a case-by-case basis.

8. Operations

8.1. I cannot log into the Treasury Submission Portal or am having trouble navigating it. Who can assist me?

If you have questions about the [Treasury Submission Portal](#) or need technical support, please email CapitalProjectsFund@treasury.gov.

8.2. Why is Treasury employing ID.me for the Treasury Submission Portal?

ID.me is a trusted technology partner to multiple government agencies and healthcare providers. It provides secure digital identity verification to those government agencies and healthcare providers to make sure you're you – and not someone pretending to be you – when you request access to online services. All personally identifiable information provided to ID.me is encrypted and disclosed only with the express consent of the user. Please refer to ID.me Contact Support for assistance with your ID.me account. Their support website is <https://help.id.me>.

8.3. Can multiple points of contact have access to an application on Treasury’s CPF Submission Portal? [1/4]

Yes. The application’s primary contact should submit a request to CovidReliefSupport@treasury.gov that includes the application number, the name of the CPF recipient, and the name and email address of the individual requesting access. Please also include CapitalProjectsFund@treasury.gov in the cc line of the e-mail to assist us in tracking requests.

Additionally, the application’s primary contact may download a PDF copy of the CPF application to share at any time by logging into the [Treasury Submission Portal](#).