



ARConnect

The Arkansas State Broadband Office

Arkansas BEAD Program

Frequently Asked Questions Document 54

Budget Reporting Questions	3
Match Fund Reporting Questions	4

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Budget Reporting Questions

1. Why does ARConnect require the full project budget rather than expenditures to date?

Because the Arkansas BEAD program is structured as a fixed-amount subaward, actual expenditures are tracked through the disbursement process, tied to verified progress against milestones. The budget allocations you report are submitted to NTIA as part of every semi-annual report, and this is how NTIA tracks where federal funds are actually being put to use.

The budget you report represents what you currently expect to spend over the full project period. It is a forecast, not a record of how much has been spent to date. The approved budget remains in place unless it is formally modified. This means you should report the full planned allocation for each eligible-use category, even where work hasn't started yet or spending has been minimal so far; **do not report \$0 because a category hasn't started, and do not report only the amount spent to date.**

2. Are grant funds and match funds reported together as a single expenditure figure, or reported separately?

Grant funds and match funds are reported separately, not as a single combined figure. At **Milestone 1**, you report detailed allocations across the eight eligible-use categories for **both** your grant funds and your match funds.

After Milestone 1, category-level detail is reported for the **grant** amount only. Match works differently: it is reported as expended as progress is made toward each milestone, rather than as a full-project forecast. Match expenditure should generally keep pace with your grant fund disbursements and documentation of expenditures should reconcile back to the match budget categories and items you originally established at Milestone 1.

3. If a match-funded eligible-use category exceeds its budgeted amount by 10% or more, does that change need approval before it can be reflected in semi-annual reporting?

Yes. First, it's worth distinguishing normal fluctuation from an actual budget change: day-to-day swings in spending don't require any action on their own. What matters is whether the expected final total for that category has changed.

If the expected final total shifts by 10% or more, that counts as a material change. Material changes require approval before you can reflect the new amount in your semi-annual reporting. To get that approval, submit the change as part of your monthly report. ARConnect will review it, and once approved, the revised amount becomes the budget of record for your next semi-annual report.

Match Fund Reporting Questions

4. What documentation is required to credit in-kind match contributions consisting of labor?

In-kind contributions count toward match, but they need documentation to be credited, and records must be kept on file. ARConnect can request documentation at any time. As with any in-kind match, **the underlying principle is proof of value and proof it was actually put to use on the project.** For equipment or materials, that looks like a paid vendor quote or rate reference plus a record showing the item was used on the project. For labor, that same principle would translate to something like a timesheet or labor log showing hours worked and tied to the specific project or task, a documented hourly rate or wage basis for the person performing the work, and a brief description of the work completed, often with a supervisor or authorized signoff confirming it. We'll walk through more information concerning in-kind match during a future TA session.