

Exhibit R: Subgrantee Performance Measures and Standards

CNMI Broadband Policy and Development (BPD) Office Broadband Equity, Access, and Deployment (BEAD) Program Subgrant Agreement: Between CNMI BPD and [Subgrantee Name]

Field	Detail
BPD Subgrant Award Identifier	[BPD Assigned ID]
Project Name/Identifier	[Unique Name or Identifier from Exhibit A]
Subgrantee	[Full Legal Name of Subgrantee]

1. Purpose

This Exhibit defines the specific, measurable performance metrics (SMART) and standards CNMI BPD will use to evaluate the Subgrantee's performance throughout the Period of Performance, as referenced in Agreement Section 4.03. These measures align with the project goals, the statutory requirements of the BEAD Program, and the requirements for a **Priority Broadband Project (PBP)**. Failure to substantially meet these Performance Measures may result in remedies, including clawback of funds.

2. Performance Metrics and Verification

Section/Metric	Standard/Requirement	Verification & Compliance Status
(A) Deployment Milestones & Deadline		
Metric 1: Project Completion Deadline	Completion of all project construction and commencement of service provisioning to all desiring customers within the Project Funding Area(s) (PFA) no later than four (4) years after the date the subgrant is received.	BPD review and acceptance of final project completion certification (Exhibit J).

Metric 2: Program Closeout	All BEAD subgrant deployment activities must be completed at least 120 days prior to the end of the Eligible Entity's Period of Performance.	BPD final financial and programmatic report review (Exhibit G).
Metric 3: Milestone Adherence	Timely achievement of all specific, measurable deployment milestones by the dates set forth in Exhibit S (Fixed-Amount Subaward Milestones).	BPD review and acceptance of milestone completion evidence submitted by the Subgrantee (as defined in Exhibit S or project plan).
(B) Broadband Service Standards (Speed & Latency)		
Metric 4: BSL Performance (Qualifying Broadband Service)	Deployed network must be capable of consistently providing speeds of not less than 100 Mbps download / 20 Mbps upload .	Submission of annual performance test results reports to BPD (Exhibit G).
Metric 5: CAI Performance	Service provisioned to eligible Community Anchor Institutions (CAIs) must meet the requirement of 1 Gigabit per second symmetrical (upload/download).	BPD review of certified network design (Exhibit O) and final testing results (Exhibit J).
Metric 6: Latency	Service must maintain latency $\leq 100 \text{ ms}$.	Annual testing must comply with the testing protocol, including measurement reports detailing roundtrip time (RTT).
Metric 7: Testing Compliance	Subgrantee must conduct performance tests annually during the period of performance. Testing must demonstrate compliance with the 80/80 standard (80 percent of download/upload measurements must be at or above 80 percent of the required speed).	BPD confirmation that the Subgrantee provides a detailed methodology, sample plan, and reporting format approved by BPD.

(C) Reliability and Resilience (PBP Mandate)		
Metric 8: Network Availability	Network availability must correspond to an annual uptime of 99.45 percent .	Subgrantee reporting of network outages exceeding this standard, including explanation of events that contributed to the failure.
Metric 9: Risk Management Plan	Subgrantee must establish comprehensive risk management plans that account for technology infrastructure reliability and resilience from natural disasters (e.g., typhoons, flooding) and cybersecurity best practices.	BPD review of the risk management plan and Exhibit K (SCRM/Cybersecurity Attestation) for ongoing compliance.
(D) Service Obligations and Accountability		
Metric 10: Low-Cost Service Option (LCSO)	The approved LCSO, proposed by the Subgrantee, must be actively offered to eligible subscribers for the duration of the 10-year Federal Interest Period .	BPD review of publicly marketed service plans and pricing, and certifications within periodic reports (Exhibit G).
Metric 11: Installation Timeframe	Standard installation of Qualifying Broadband Service completed within ten (10) business days of receiving a valid service request from a customer located within the served PFA, post-network activation.	BPD review of Subgrantee data on installation initiation and completion records.
Metric 12: Timely Reporting	Submission of all required reports (Periodic Progress & Financial, Performance Measurement, BABA, Audit) accurately, completely, and by the deadlines specified in Exhibit G , including at least semiannual reporting .	BPD tracking of report submissions and review of report content for compliance.

Metric 13: BABA Compliance	Documentation of full compliance with the Build America, Buy America (BABA) Act , including the maintenance and submission of the BEAD BABA Reporting Subrecipient Tracker (for Finished Waived Electronics).	Department personnel (NTIA/BPD) may request BABA compliance documentation at any time, including at closeout.
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3. Monitoring and Non-Compliance Procedures

CNMI BPD will conduct ongoing monitoring of Subgrantee performance. Monitoring methods include desk reviews, site visits, and independent verification tests.

1. **Corrective Action:** Upon a finding of non-compliance (e.g., failure to meet speed standards or deployment milestones), the BPD will require **corrective actions**. This may include requiring **more frequent testing** until the Subgrantee demonstrates compliance.
2. **Financial Remedy:** Subgrant agreements include **clawback provisions** allowing for the **recoupment of funds previously disbursed** in the event of non-compliance or failure to deploy network infrastructure in accordance with mandated deadlines.
3. **Accountability:** BPD ensures accountability by distributing funding on a **fixed amount subaward basis**, released only upon satisfactory verification of milestone completion (Exhibit S), thereby allowing BPD to withhold funds if the Subgrantee fails to take the necessary actions.
4. **Audit Trail:** The Subgrantee must retain test data and all project records for at least **three (3) years** from the date of submission of the subgrant's final expenditure report.