NCDIT
NORTH CAROLINA DEPARTMENT OF INFORMATION TECHNOLOGY

DIGITAL OPPORTUNITY GRANT FUNDING GUIDELINES
Track 1: Digital Skills, Digital Navigation and Online Safety

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Overview

The purpose of the $17 million Digital Opportunity grant program is to develop new and expand existing digital skills, digital navigation and online safety programs, as well as create a structured system for the provision and deployment of computers to increase ownership, help desk and technical support to those who need it most.

Digital opportunity is economic development. It includes access to affordable high-speed internet, access to high quality large-screen computers, and the digital skills training necessary to safely navigate the internet. It ensures people have the skills and technology needed to compete for jobs. These opportunities will benefit all North Carolinians - students who are using their smartphones to do their homework, older adults who need help connecting with their doctor and test results online, people who lost everything in Hurricane Helene and need a computer to do their job, and many others.

Program Goals

The NCDIT Digital Opportunity grant program will support Strategies 3-5 of the North Carolina Digital Opportunity Plan.

- Strategy 3: Ensure that North Carolinians can acquire the digital and information-gathering skills and understanding to meet their personal needs and the state's workforce needs.
- Strategy 4: Promote practices and leverage tools to ensure online privacy and security.
- Strategy 5: Ensure that North Carolinians have access to large-screen computers, help desk and technical support to meet their needs

We are seeking to fund programs with a period of performance ending June 30, 2029. Official start dates will depend on approval from the National Telecommunications and Information Administration (NTIA); however, we anticipate a Jan. 1, 2026, start date.

Program Tracks

The Digital Opportunity grant program includes two tracks, and applicants can apply for Track 1 and/or Track 2:

- Track 1: Digital Skills, Digital Navigation and Online Safety

- Track 2: Computer Ownership Capacity Building and Sustainability *(Applicants can apply for Track 2a or 2b but not both)*
  - Track 2a: Computer Refurbisher Hub
  - Track 2b: Computer Deployment Lead

This document outlines only the guidance for Track 1: Digital Skills, Digital Navigation and Online Safety. View the Track 2 funding guidelines.

Eligible Uses

Digital Skills, Digital Navigation and Online Safety

This track can be used to expand or create digital literacy programs and online safety skills and/or that expand or create digital navigator programs. As outlined in the state Digital Opportunity Plan, this track will focus on:
1. Increasing the capacity of current digital literacy and navigation programs led by partner organizations across the state and

2. Developing new programs that target funding for organizations with strong community trust.

Priority will be given to large-scale projects that will partner with and/or subgrant funding to local organizations.

Track 1 will focus on the following elements of digital literacy, digital navigation and online safety:

- **Digital Literacy and Skills:** Digital literacy (often referred to as digital skills, especially in community settings) is the ability to use information and communication technologies to find, evaluate, create and communicate information, requiring both cognitive and technical skills (National Digital Inclusion Alliance, 2025). Digital literacy also includes cybersecurity and online privacy, as well as digital health literacy.

- **Digital Navigation/Navigators:** Digital navigators are trusted guides who assist community members in the use of computing devices and technology adoption and can offer individual support and attention. Digital navigation services can look different based on community needs. Services can include ongoing assistance with accessing affordable internet, computers and help desk support as well as technical and digital skills training. Organizations can provide more one-to-one support like library help desks or provide long-term, holistic support to meet individuals' comprehensive digital needs (National Digital Inclusion Alliance, 2025).

- **Online Safety – Privacy and Cybersecurity:** Ensuring that people know how to keep their online data and identity secure is key to protecting them online and making sure they feel safe connecting to the internet and using devices. Online privacy refers to how data is collected, stored, processed and used. Cybersecurity, keeping your data and identity safe, can involve protecting any form of personal information - photos, videos, drawings or documents. To maintain online privacy, your information must be secure (NIST 2021).

- **Digital Health Literacy:** Digital health literacy, sometimes referred to as eHealth literacy, is defined by the U.S. Department of Health and Human Services as the ability to seek, find, understand and appraise health information from electronic sources and apply the knowledge gained to addressing or solving a health problem. Examples of digital health literacy include being able to find and evaluate health information online, access telehealth services and electronically communicate with healthcare providers (Patient Safety Network, 2025).

The Office of Digital Opportunity is currently convening digital skills experts, researchers and practitioners in the development of digital skills standards and digital navigator best-practices. Awardees must align their programs to align with minimum standards and follow best practices. The publication of these standards and best practices is planned for summer 2025.

Program Recipients and Geographic Reach

Program Recipients

Funded projects will focus on serving all digital excluded populations in North Carolina. Please see the NTIA's guidance for definitions of excluded populations.

Geographic Reach

Priority will be given to large-scale projects that are regional or state-wide and that will partner with and/or subgrant funding to smaller, local organizations.

Applicant Eligibility[1]

Applicants and partners receiving funding will be accepted from:
1. Community service organizations
    a. Local governments (town, city, county)
    b. Local library systems
    c. K-12 school systems (public, private and charter)
2. Nonprofit organizations[2]
3. Higher education institutions
4. Regional entities (councils of governments)
5. State government agencies and federally recognized tribal government entities

For-profit entities are not eligible to apply for this funding opportunity.

Priority will be given to large-scale projects that will partner with and/or subgrant funding to smaller, local organizations with community trust. We anticipate funding a total of 10-15 applications as follows, including four to nine projects for Track 1.

Eligible Expenses, Project Elements and Funding Ranges

We anticipate the funding range will be $1 million to $3.5 million per Digital Skills, Digital Navigation, and Online Safety project. Applicants are encouraged to request only the specific amount needed to fund their proposed projects. If you request more or less than the funding range, you must include a justification for the request. We will fund selected entities based on their requests and reserve the right to only fund a portion of an application.

Eligible Expenses

The grant is designed to support organizational and program offerings to increase digital skills and online safety. Eligible expenses include:

Administrative & Staffing

- Personnel related expenses: Cost of personnel and associated benefits to deliver the program, which includes direct salaries, employer paid taxes and fringe benefits.
- Travel related expenses: Travel expenses and reasonable accommodation or expenses for staff travel required for program delivery, events, and partnership activities.
- Indirect costs/rate: General operating expenses or overhead and direct administrative expenses related to proposed activities for the applicant are allowed. These expenses should not exceed 15% of the total request.
    - Exception: If the applicant has a federally approved negotiated indirect cost rate agreement (NICRA), the applicant may apply this rate.

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[1] Note, the NTIA recommends the following definitions for eligible entities. We have condensed these into five categories to be in alignment with other Office of Digital Opportunity programming. Our categories are inclusive of those below:
- A political subdivision or state agency
- A nonprofit foundation, corporation, institution, or association
- A community anchor institution
- A local education agency
- An entity that carries out a workforce development program
- A partnership between any entities described above
- An Indian Tribe, an Alaskan Native entity, or a Native Hawaiian organization

[2] Nonprofit organizations described in section 501(c)(3) of the Internal Revenue Code including charitable organizations are eligible to apply. Note, a nonprofit based in North Carolina must also have Articles of Incorporation filed with the N.C. Secretary of State's office in compliance with the North Carolina Nonprofit Corporations Act and, if applicable, a license to solicit donations in North Carolina.

Note: Subrecipients/subgrantees that receive funding from an applicant must include only direct administrative expenses or an administrative/indirect rate of 15% or less.

Program Expenses

Costs associated with delivering any elements or activities of the program. Required project elements and associated expenses must include at least one of the following:

- Costs required to administer a digital skills/navigator program, including staff personnel costs
- A "digital navigator" program to help community members get connected, use digital tools/devices and access digital skills classes
- Digital literacy and digital skills courses/trainings
- Cybersecurity, privacy or online safety courses/trainings
- Digital health literacy courses and trainings

Other Program Expenses

- Wrap-around services such as transportation for program participants (no more than 5% of budget).
- Food for program participants

Capital Expenses & Equipment*

- To enable program delivery, inclusions are Wi-Fi equipment on or in buildings providing internet access to people served by programs, additional internal wiring to enable fiber access, or Wi-Fi or updating routers or boosters to ensure high-quality connectivity that enables program delivery
  - No equipment installation should be proposed in historic buildings that appear on the National Register of Historic Places
- Digital devices and technical equipment to enable program delivery and/or administration (note Track 1 does not allow the purchase of computers to give to individuals, but computers and technology can be purchased for program delivery such as a mobile computer unit or a program computer lab, or for administration purposes for staff.
- Minor capital expenses such as furnishing a classroom or office for program delivery. Only essential, program-specific capital expenses will be considered. Requests for larger-scale renovations, construction, or significant infrastructure investments are not eligible under this program. Subgrantees should clearly justify how these minor capital expenses are critical to program success while adhering to grant cost restrictions. For example, Wi-Fi technology (e.g., routers or access points) to enable internet access within a specific program space where activities will be conducted is an eligible expense. Purchasing and installing routers, antennas or other network equipment as part of a larger project to expand broadband coverage in a neighborhood, building a public Wi-Fi network or connecting multiple locations (e.g., creating a municipal broadband network) is not an eligible expense.

*Note: A Buy America preference applies to articles, materials, and supplies that are consumed in, incorporated into, or affixed to an infrastructure project component awarded under the Digital Opportunity grant program. It does not apply to tools, equipment, and supplies, such as temporary scaffolding, brought to a construction site and removed at or before the completion of the infrastructure project. Nor does a Buy America preference apply to purchases of equipment and furnishings, such as movable chairs, desks and portable computer equipment, that are used at or within a finished infrastructure project but are not an integral part of the structure or permanently affixed to the infrastructure project.

All subrecipients, however, are strongly encouraged to apply the Build America, Buy America Act (BABA) standards for all infrastructure-related procurement, to the greatest extent practicable in alignment with the goals of supporting domestic manufacturing and promoting economic growth. If you believe your proposal will include an infrastructure project component, please contact digitalopportunity@nc.gov prior

to submission to discuss Buy America implications.

<u>Professional Services</u>
- Professional services or staff costs necessary to enable the project itself, such as legal, financial support and interpretation services
- Reasonable project management costs to the applicant organization related to management and support of the network partners
- Costs associated with monitoring of and reporting on project in compliance with requirements, including award closeout costs
- Costs associated with collecting and measuring performance data and conducting activities needed to establish and maintain a performance management and evaluation of the project

<u>Allocation Limits and Other Conditions (per NTIA guidelines)</u>
Applicants must adhere to the following caps on expense categories:
   - 5% evaluation or impact measurement
- Funding must complement and not replace other federal funding sources.

<u>Ineligible Expenses</u>
This grant does not support the purchase of computers to distribute to individuals. We encourage funded grantees to partner with Track 2 grantees for computer distribution. The following expense types are ineligible for funding:
- No infrastructure deployment costs are eligible under this program. Infrastructure deployment refers to activities like laying fiber optic cables or constructing broadband network building towers, conduits or other physical structures related to broadband connectivity; and equipment installation intended for broadband or telecommunications network operations.
- Costs related to the construction, installation or deployment of broadband infrastructure.
- Purchasing equipment or materials for physical infrastructure upgrades (e.g., routers, fiber cables, modems) that are part of network infrastructure
- Site preparation, ground disturbance or any activities that involve attaching to, modifying or altering a historical building or property for broadband facilities or network hardware.
- Funds cannot be used for internet subsidies or to pay internet installation or subscription costs for individuals or households.
- Grant funds cannot be used to upgrade websites for accessibility that is required by law, including support for improving state or local government website accessibility.
- There can be no duplicative activities or expenses between the funding requested through this program and any other funding source including the NTIA Digital Equity Competitive Program funding or other private or Office of Digital Opportunity funding awarded to the subgrantee or its partners. However, activities funded through this program may complement other funded efforts by addressing different aspects of the same initiative or by serving distinct populations, as long as each funding source is used for clearly defined and separate expenses.
- Existing Office of Digital Opportunity subgrantees, such as the State Government Entities or Digital Champion grant projects are eligible to apply but must avoid requesting funding for programs or activities already funded through NCDIT or others.
- Grants may not be used for costs that will be reimbursed under other federal or state funding stream(s).

<u>Reimbursement and Advance Payment Policies</u>

- <u>Reimbursement</u>: Awarded applicants will be able to request reimbursements on a monthly basis for costs to carry out the project. Costs for which reimbursement is requested must meet certain requirements to be eligible for reimbursement including 2 CFR 200- cost principles. To be eligible for reimbursement, the cost must be reasonable and necessary to carry out the project and have been incurred directly or indirectly in the performance of the project. The cost must also be considered an allowable expenditure as identified by the grant guidelines. A successful applicant may not cumulatively request more than what was awarded and identified in the grant agreement.

- <u>Advance Payment</u>: The Office of Digital Opportunity may consider approving requests for advance payment of initial project costs or for ongoing advance payments in appropriate circumstances. Advanced payment requests from an Applicant in no case should exceed the amount of cash required for a 30-day period to implement project deliverables. Applicants that are requesting advanced payments to begin project deliverables must explicitly provide justification in the budget narrative. Applicants must submit a detailed justification for why advance payment of expenses is needed, explaining how the project will benefit from an advance rather than a reimbursement. They must also provide a payment schedule and outline deliverables for each 30-day payment period. The Office of Digital Opportunity will evaluate requests on a case-by-case basis and may grant advances to projects that demonstrate organizational resilience and trust to carry our programmatic activities; provide evidence of increased need for initial funding to begin programmatic work; and have provided thorough and complete documentation. Applicants should consider contingency in fulfilling proposed project activities in the event that advanced payment requests are not approved. Advanced payments shall not cover pre-award expenditures.

Application Process and Deadline

All applications must be submitted online via the Qualtrics grant application system by 11:59 p.m. on June 9, 2025. The application can be found at ncbroadband.gov/Digital-Opportunity-Grant. Applications will only be accepted through this online portal. A list of application questions for each track as well as other grant other resources are also available on this webpage.

Application Window Opens	April 10
Information Session Webinars	April 16, 2 – 3 p.m. ([Click to Register](#)) April 22, 11 a.m. – 12 p.m. ([Click to Register](#))
Track Specific Webinars	Date TBD
Drop-In Office Hours	Date TBD Date TBD
Funding Invitation/Application Window Closes	June 9 at 11:59 p.m.
Contingent Awards Announced (all recommended grantees must be approved by the NTIA before award is considered final)	September
Contingent Grantee Trainings and Risk Assessments	September-November
Award Approvals from NTIA (anticipated)	November
Anticipated Grant Start Date	January 2026[3]

Upon receipt of a full application and consideration of it relative to criteria set forth in this document, we will determine whether the proposed project should receive funding under this program.

Applicants will be notified in writing if their project has been awarded and will receive a contingent award agreement. All award recommendations must be approved by the NTIA before they become official.

The Digital Opportunity grant awards are contingent on federal approval and applicable law. We will keep applicants apprised of any additional updates and responses from the NTIA or changes in law that may impact funding, program guidelines or criteria.

Application Review

Applications will be reviewed by a committee of digital opportunity, community partners and state agency officials. The Office of Digital Opportunity will review recommendations from external reviewers and make final selection decisions. Scoring is one important factor considered for final recommendation. The Office of Digital Opportunity ultimately selects grantees to ensure that awarded applications are filling known gaps in programming, considering costs in program budget, and are meeting geographic and community needs across the state.

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[3] Anticipated Grant start date. May change depending on how long NTIA approval of grantees takes.

Awarded Project Compliance and Monitoring

Awarded projects are subject to project monitoring to ensure grantee fulfills the terms and conditions of their grant. Grantees will be required to adhere to, at minimum, the following requirements outlined below:
- Risk Assessment
- Monthly Expenditure Reports
- Monthly Check-ins
- Quarterly Accountability Reports

Monitoring and Compliance training and materials will be provided once projects are selected. Other requirements may be included to ensure compliance with NTIA policies.

- Risk Assessment: The risk assessment is a foundational tool for developing monitoring plans tailored to each grantee. It generates a risk summary profile that identifies potential risks specific to the grantee. Upon award execution, all grantees are initially categorized as "high-risk" until their assessment scores are finalized. Grantees classified as medium or low risk will have reduced reporting frequency and detail requirements.

- Monthly Expenditure Report: Grantees must submit a monthly expenditure report detailing all expenses charged to the grant. Each grantee is assigned a finance officer who provides support with reporting and ensures compliance.

- Monthly Check-In: Grantees must participate in a monthly check-in for 30 minutes with their assigned program officer to review project progress, provide status updates and address any questions related to the grant.

- Quarterly Accountability Report: Grantees must submit a quarterly accountability report outlining the project's progress, including updates on outcomes and outputs achieved to date.

NOTE: Cybersecurity
NTIA states that subrecipients must ensure that the planning, design, and project oversight phases of the programs and activities funded are consistent with current industry's best practices for cybersecurity, such as the NIST Cybersecurity Framework and Cybersecurity and Infrastructure Security Agency (CISA) Cybersecurity Performance Goals (CPGs). These performance goals provide a baseline set of cybersecurity practices that are broadly applicable, with known risk-reduction value. NTIA reserves the right to review a recipient's cybersecurity framework and recipients must review the cybersecurity framework of its subrecipients per the Capacity Grant NOFO Section IV. D.7.

Subgrantee monitoring
If a grantee selects subgrantees, they will be required to monitor subgrantees.
Grantees should have monitoring plans in place to outline how and the frequency in which subgrantees will be monitored. If grantees do not have, at the least, best practices for monitoring subgrantees, then monitoring should be conducted in the same way they are monitored by the Office of Digital Opportunity.

Grant Technical Assistance and Questions

Please email all questions to the Office of Digital Opportunity at digitalopportunity@nc.gov.