

FEDERAL AWARDING AGENCY NAME: United States Department of Agriculture, Rural Development, Rural Utilities Service (RUS).

FUNDING OPPORTUNITY TITLE: Grant Program to Establish a Fund for Financing Water and Wastewater Projects (Revolving Fund Program (RFP))

ANNOUNCEMENT TYPE: Funding Opportunity Announcement.

FUNDING OPPORTUNITY NUMBER: RDRUS-19-01-RLF.

CATALOG OF FEDERAL DOMESTIC ASSISTANCE (CFDA) NUMBER: 10.864.

The Rural Utilities Service (RUS), an agency of the United States Department of Agriculture (USDA), herein referred to as RUS or the Agency, announces its Grant Program to Establish a Fund for Financing Water and Wastewater Projects (Revolving Fund Program (RFP)) application window for Fiscal Year (FY) 2019.

APPLICATION DUE DATE: **May 27, 2019**

SUBMISSIONS: Submit completed paper or electronic applications for grants according to the following deadlines:

- *Paper submissions:* Paper submissions must be postmarked and mailed, shipped, or sent overnight *no later than* **May 27, 2019** to be eligible for FY 2019 grant funding. Late or incomplete applications will not be eligible for FY 2019 grant funding.
- *Electronic submissions:* Electronic submissions must be received no later than **May 27, 2019** to be eligible for FY 2019 grant funding. Late or incomplete applications will not be eligible for FY 2019 grant funding

FOR MORE INFORMATION: Questions about this announcement can be directed to Derek Jones, Community Programs Specialist, Water and Environmental Programs, Rural Utilities Service, Rural Development, U.S. Department of Agriculture, telephone: (202) 720-9640.

SUPPLEMENTARY INFORMATION:

A. Program Description

Drinking water systems are basic and vital to both health and economic development. With dependable water facilities, rural communities can attract families and businesses that will invest in the community and improve the quality of life for all residents. Without dependable water facilities, the communities cannot sustain economic development.

RUS provides financial and technical assistance to help communities bring safe drinking water and sanitary, environmentally sound waste disposal facilities to rural Americans. It supports the sound development of rural communities and the growth of our economy without endangering the environment.

The RFP was established under 7 U.S.C. part 1783 to assist communities with water or wastewater systems. Qualified private, non-profit organizations, who are selected for funding, will receive RFP grant funds to establish a lending program for eligible entities. Eligible entities for the revolving loan fund will be those entities eligible under 7 U.S.C.1926(a)(1) and (2) to obtain a loan, loan guarantee, or grant from the Water and Waste Disposal loan and grant programs administered by RUS. As grant recipients, the non-profit organizations will set up a revolving loan fund to provide loans to finance predevelopment costs of water or wastewater projects, or short-term small capital projects not part of the regular operation and maintenance of current water and wastewater systems. The total amount of financing to an eligible entity shall not exceed \$100,000 and shall be repaid in a term not to exceed 10 years. The rate shall be determined in the approved grant work plan.

The Agency encourages applications that will help improve life in rural America. See information on the Interagency Task Force on Agriculture and Rural Prosperity found at www.usda.gov/ruralprosperity. Applicants are encouraged to consider projects that provide measurable results in helping rural communities build robust and sustainable economies through strategic investments in infrastructure, partnerships and innovation. Key strategies include:

- Achieving e-Connectivity for Rural America
- Developing the Rural Economy
- Harnessing Technological Innovation
- Supporting a Rural Workforce
- Improving Quality of Life

B. Federal Award Information

The Agency will make awards, and the successful applicants will be required to execute documents appropriate to the project before funding will be advanced. Award documents specify the term of each award. Prior RFP grants cannot be renewed; however, existing RFP awardees can submit applications for new projects which will be evaluated as new applications. Grant applications must be submitted during the application window.

C. Eligibility Information

1. Eligible Applicants

An applicant is eligible to apply for the RFP grant if it:

- a. Is a private, non-profit organization;
- b. Is legally established and located within one of the following:
 - i. A state within the United States;

- ii. The District of Columbia;
- iii. The Commonwealth of Puerto Rico; or
- iv. A United States territory;
- c. Has the legal capacity and authority to carry out the grant purpose;
- d. Has a proven record of successfully operating a revolving loan fund to rural areas;
- e. Has capitalization acceptable to the Agency, and is composed of at least 51 percent of the outstanding interest or membership being citizens of the United States or individuals who reside in the United States after being legally admitted for permanent residence;
- f. Has no delinquent debt to the Federal government or no outstanding judgments to repay a Federal debt;
- g. Demonstrates that it possesses the financial, technical, and managerial capability to comply with Federal and state laws and requirements; and,
- h. Is not a corporation that has been convicted of a felony (or had an officer or agent acting on behalf of the corporation convicted of a felony) within the past 24 months. Any Corporation that has any unpaid Federal tax liability that has been assessed, for which all judicial and administrative remedies have been exhausted or have lapsed, and that is not being paid in a timely manner pursuant to an agreement with the authority responsible for collecting the tax liability is not eligible.

2. Cost Sharing or Matching

Applicants must contribute at least 20 percent of funds from sources other than the proceeds of an RFP grant to pay part of the cost of a loan recipient's project. In-kind contribution will not be considered.

3. Other: The basic eligibility requirements for a project

- a. The following activities are authorized under the RFP statute:
 - i. Grant funds must be used to capitalize a revolving fund program for the purpose of providing direct loan financing to eligible entities for pre-development costs associated with proposed or with existing water and wastewater systems, or,
 - ii. Short-term costs incurred for equipment replacement, small-scale extension of services, or other small capital projects that are not part of the regular operations and maintenance activities of existing water and wastewater systems.
- b. Grant funds may not be used to pay any of the following:
 - i. Payment of the Grant Recipient's administrative costs or expenses, or,
 - ii. Delinquent debt owed to the Federal Government.

D. Application and Submission Information

The Application Guide provides specific, detailed instructions for each item of a complete application. The Agency emphasizes the importance of including every item and strongly encourages applicants to follow the instructions carefully, using the examples and illustrations in the Application Guide. Prior to official submission of

applications, applicants may request technical assistance or other application guidance from the Agency, as long as such requests are made prior to **May 11, 2019**. Agency contact information can be found in Section G of this document.

The Agency will not solicit or consider new scoring or eligibility information that is submitted after the application deadline. The Agency reserves the right to contact applicants to seek clarification on materials contained in the submitted application. See the Application Guide for a full discussion of each item. For requirements of completed grant applications, refer to 7 CFR part 1783.

1. Where to Get Application Information

The RFP Grant Application Guide (Application Guide), copies of necessary forms and samples, and the RFP Grant Program regulation are available from these sources:

- a. Internet for electronic copies: <http://www.grants.gov/> or <http://www.rd.usda.gov/programs-services/water-waste-disposal-revolving-loan-funds;>
- b. Water and Environmental Programs for paper copies: U.S. Department of Agriculture, Rural Utilities Service, Water and Environmental Programs, STOP 1570, Room 2233-S, 1400 Independence Avenue SW, Washington, DC 20250-1570, Telephone: (202) 720-9589, Fax: (202) 690-0649

2. Content and Form of Application Submission

a. You may file an application in either paper or electronic format. To be considered for support, you must be an eligible entity and must submit a complete application by the deadline date. Applicants should consult the cost principles and general administrative requirements for grants pertaining to their organizational type in order to prepare the budget and complete other parts of the application. You also must demonstrate compliance (or intent to comply), through certification or other means, with a number of public policy requirements. Applications should be prepared in conformance with 7 CFR part 1783, and departmental and other applicable regulations including 2 CFR parts 180, 182, 200, 400 and 421, or any successor regulations.

Whether you file a paper or an electronic application, you will need a DUNS number and must be registered in the System for Award Management (SAM). Detailed information on obtaining a DUNS number and registering for SAM may be found in section D (3).

b. Applicants must complete and submit the following forms to apply for a RFP grant:

- i. Standard Form 424, “Application for Federal Assistance”.
- ii. Standard Form 424A, “Budget Information—Non-Construction Programs”.
- iii. Standard Form 424B, “Assurances—Non-Construction Programs”.
- iv. Standard Form LLL, “Disclosure of Lobbying Activity”.
- v. Form RD 400-1, “Equal Opportunity Agreement”.

vi. Form RD 400-4, "Assurance Agreement (Under Title VI, Civil Rights Act of 1964).

c. The project proposal should outline the project in sufficient detail to provide a reader with a complete understanding of how the loan program will work. Explain what you will accomplish by lending funds to eligible entities. Demonstrate the feasibility of the proposed loan program in meeting the objectives of this grant program. The proposal should cover the following elements:

i. Present a brief project overview. Explain the purpose of the project, how it relates to RUS's purposes, how you will carry out the project, what the project will produce, and who will direct it.

ii. Describe why the project is necessary. Demonstrate that eligible entities need loan funds. Quantify the number of prospective borrowers or provide statistical or narrative evidence that a sufficient number of borrowers will exist to justify the grant award. Describe the service area. Address community needs.

iii. Clearly state your project goals. Your objectives should clearly describe the goals and be concrete and specific enough to be quantitative or observable. They should also be feasible and relate to the purpose of the loan program.

iv. The narrative should cover in more detail the items briefly described in the Project Summary. It should establish the basis for any claims that you have substantial expertise in promoting the safe and productive use of revolving funds. In describing what the project will achieve, you should tell the reader if it also will have broader influence. The narrative should address the following points:

(1) Document your ability to administer and service a revolving fund in accordance with the provisions of 7 CFR part 1783.

(2) Document your ability to commit financial resources to establish the RFP with funds your organization controls. This documentation should describe the sources of funds other than the RFP grant that will be used to pay your operational costs and provide financial assistance for projects.

(3) Demonstrate that you have secured commitments of significant financial support from other funding sources, if appropriate.

(4) List the fees and charges that borrowers will be assessed.

v. The work plan must describe the tasks and activities that will be accomplished with available resources during the grant period. It must show the work you plan to do to achieve the anticipated outcomes, goals, and objectives set out for the RFP. The plan must:

(1) Describe the work to be performed by each person.

(2) Give a schedule or timetable of work to be done.

(3) Show evidence of previous experience with the techniques to be used or their successful use by others.

(4) Outline the loan program to include the following: specific loan purposes, a loan application process, priorities, borrower eligibility criteria, limitations, fees, interest rates, terms, and collateral requirements.

(5) Provide a marketing plan.

(6) Explain the mechanics of how you will transfer loan funds to the borrowers.

(7) Describe follow-up or continuing activities that should occur after project completion such as monitoring and reporting borrowers' accomplishments.

(8) Describe how the results will be evaluated. The evaluation criteria should be in line with the project objectives.

(9) List all personnel responsible for administering this program along with a statement of their qualifications and experience.

vi. The written justification for projected costs should explain how budget figures were determined for each category. It should indicate which costs are to be covered by grant funds and which costs will be met by your organization or other organizations. The justification should account for all expenditures discussed in the narrative. It should reflect appropriate cost-sharing contributions. The budget justification should explain the budget and accounting system proposed or in place. The administrative costs for operating the budget should be expressed as a percentage of the overall budget. The budget justification should provide specific budget figures, rounding off figures to the nearest dollar. Applicants should consult 2 CFR 200, Subpart E, "Cost Principals," for information about appropriate costs for each budget category.

vii. In addition to completing the standard application forms, you must submit:

(1) Supplementary material that demonstrate that your organization is legally recognized under state or Tribal and Federal law. Satisfactory documentation includes, but is not limited to, certificates from the Secretary of State, or copies of state statutes or laws establishing your organization. Letters from the IRS awarding tax-exempt status are not considered adequate evidence.

(2) A certified list of directors and officers with their respective terms.

(3) Evidence of tax exempt status from the IRS.

(4) The most recent audit of your organization.

(5) The following financial statements:

(a) pro forma balance sheet at start-up and for at least three additional years; Balance sheets, income statements, and cash flow statements for the last three years.

(b) If your organization has been formed less than three years, the financial statements should be submitted for the periods from inception to the present. Projected income and cash flow statements for at least three years supported by a list of assumptions showing the basis for the projections. The projected income statement and balance sheet must include one set of projections that shows the revolving loan fund only and a separate set of projections that shows your organization's total operations.

(6) Additional information to support and describe your plan for achieving the grant objectives. The information may be regarded as essential for understanding and evaluating the project and may be found in letters of support, as resolutions, policies, and other relevant documents. The supplements may be presented in appendices to the proposal.

d. Compliance with other federal statutes. The applicant must provide evidence of compliance with other federal statutes, including but not limited to the following:

i. Debarment and suspension information is required in accordance with 2 CFR part 417 (Nonprocurement Debarment and Suspension) supplemented by 2 CFR part 180, if it applies. The section heading is “What information must I provide before entering into a covered transaction with the Federal Government?” located at 2 CFR 180.335. It is part of OMB’s Guidance for Grants and Agreements concerning Government-wide Debarment and Suspension.

ii. All of your organization’s known workplaces by including the actual address of buildings (or parts of buildings) or other sites where work under the award takes place. Workplace identification is required under the drug-free workplace requirements in Subpart B of 2 CFR part 421, which adopts the Government-wide implementation (2 CFR part 182) of the Drug-Free Workplace Act.

iii. 2 CFR parts 200 and 400 (Uniform Assistance Requirements, Cost Principles and Audit Requirements for Federal Awards).

iv. 2 CFR part 182 (Governmentwide Requirements for Drug-Free Workplace (Financial Assistance)) and 2 CFR part 421 (Requirements for Drug Free Workplace (Financial Assistance)).

v. Executive Order 13166, “Improving Access to Services for Persons with Limited English Proficiency.” For information on limited English proficiency and agency-specific guidance, go to <http://www.LEP.gov>.

e. Requirements for numbers of copies of submitted applications.

i. Send or deliver paper applications by the U.S. Postal Service (USPS) or courier delivery services to: USDA, Rural Development, Rural Utilities Service, Water and Environmental Programs, , 1400 Independence Avenue, SW, Attention: Derek Jones, Mail STOP 1570, Room 2233-S, Washington, DC, 20250-1570.

ii. For paper applications mail or ensure delivery of an original paper application (no stamped, photocopied, or initialed signatures) and two copies by the deadline date. The application and any materials sent with it become Federal records by law and cannot be returned to you.

iii. Electronically submitted applications:

(1). Applications will not be accepted by fax or electronic mail.

(2). Electronic applications for grants will be accepted if submitted through Grants.gov.

(3). Applicants must preregister successfully with Grants.gov to use the electronic applications option. Application information may be downloaded from Grants.gov without preregistration.

(4). Applicants who apply through Grants.gov should submit their electronic applications before the deadline.

(5). Grants.gov contains full instructions on all required passwords, credentialing, and software. Follow the instructions at Grants.gov for registering and submitting an electronic application.

(6). Grants.gov has two preregistration requirements: A DUNS number and an active registration in the SAM. See section D(3) below for instructions on obtaining a DUNS number and registering in the SAM.

3. Checklist of Items in Completed Application Packages

a. DUNS Number. The applicant for a grant must supply a Dunn and Bradstreet Data Universal Numbering System (DUNS) number as part of an application. The Standard Form 424 (SF-424) contains a field for the DUNS number. The applicant can obtain the DUNS number free of charge by calling Dun and Bradstreet. Please see <http://fedgov.dnb.com/webform> for more information on how to obtain a DUNS number or how to verify your organization's number.

b. Prior to submitting an application, the applicant must register in the System for Award Management (SAM).

i. Applicants may register for the SAM at:

<https://www.sam.gov/portal/public/SAM/>

ii. The SAM registration must remain active with current information at all times while RUS is considering an application or while a Federal Grant Award or loan is active. To maintain the registration in the SAM database the applicant must review and update the information in the SAM database annually from date of initial registration or from the date of the last update. The applicant must ensure that the information in the database is current, accurate, and complete.

iii. Your organization must be listed in the SAM. If you have not used Grants.gov before, you will need to register with the SAM and the Credential Provider. New registrations can take three to five business days to process. Updating or renewing an active registration has a shorter turnaround, 24 hours. Registrations in SAM are active for one year. The SAM registers your organization, housing your organizational information and allowing Grants.gov to use the information to verify your identity. The DUNS number, Taxpayer Identification Number (TIN), and name and address of the applicant organization must match SAM data files.

c. The electronic and paper application process requires forms with the prefixes RD and SF as well as supporting documents and certifications such as the following application items:

- i. SF-424, "Application for Federal Assistance"
- ii. SF-424A, "Budget Information—Non-Construction Programs"
- iii. SF-424B, "Assurances—Non-Construction Programs"
- iv. SF- LLL, "Disclosure of Lobbying Activity"
- v. Form RD 400-1, "Equal Opportunity Agreement"
- vi. Form RD 400-4, "Assurance Agreement (Under Title VI, Civil Rights Act of 1964).
- vii. Project Proposal, Project Summary, Needs Assessment, Project Goals and Objectives, Project Narrative.
- viii. Work Plan.
- ix. Budget and Budget Justification.
- x. Evidence of Legal Authority and Existence.

- xi. Documentation of private non-profit status and Internal Revenue Service (IRS) Tax Exempt Status.
- xii. List of Directors and Officers.
- xiii. Financial information and sustainability (narrative).
- xiv. Assurances and certifications of compliance with other Federal Statutes.

The forms in items i through vi must be completed and signed where appropriate by an official of your organization who has authority to obligate the organization legally. RD forms are used by programs under the RD mission area. Standard forms (SF) are used government-wide. In addition to the sources listed in section A, the forms may be accessed electronically through the RD website at <http://www.rd.usda.gov/publications>.

See section V, “Application Review Information,” for instructions and guidelines on preparing Items vii through xiii.

4. Compliance with Other Federal Statutes.

The applicant must provide evidence of compliance with other Federal statutes and regulations, including, but not limited to the following:

a. 7 CFR part 15, subpart A—Nondiscrimination in Federally Assisted Programs of the Department of Agriculture—Effectuation of Title VI of the Civil Rights Act of 1964.

b. 2 CFR part 417 – Governmentwide Debarment and Suspension (Nonprocurement), or any successor regulations.

c. 7 CFR part 3052—Audits of States, Local Governments, and Non-profit Organizations, or any successor regulations.

d. Subpart B of 2 CFR part 421, which adopts the Governmentwide implementation (2 CFR part 182) of the Drug-Free Workplace Act.

e. [Executive Order 13166, “Improving Access to Services for Persons with Limited English Proficiency.”](#) For information on limited English proficiency and agency-specific guidance go to <http://www.lep.gov/>.

f. Federal Obligation Certification on Delinquent Debt.

5. Required number of Application Copies

a. Applications Submitted on Paper. Submit one signed original and two additional copies. The original and each of the two copies must include all required forms, certifications, assurances, and appendices, be signed by an authorized representative, and have original signatures. Do not include organizational brochures or promotional materials.

b. Applications Submitted Electronically. Additional paper copies are unnecessary if the application is submitted electronically through <http://www.grants.gov/>.

You must be registered with Grants.gov before you can submit a grant application. If you have not used Grants.gov before, you will need to register with the System for Award Management (SAM). You will need a DUNS number to access or register at any of the services. The registration processes may take several business days to complete. Follow the instructions at Grants.gov for registering and submitting an

electronic application. RUS may request original signatures on electronically submitted documents later.

SAM registers your organization and stores your organizational information, which allows Grants.gov to use it to verify your identity. You may register online at www.sam.gov. If system errors or technical difficulties occur, use the customer support resources available at the Grants.gov website.

Submit all electronic documents using one of the following formats:

- Excel
- Word
- PDF

6. How and Where to Submit an Application

a. For paper applications, mail or ensure delivery of an original paper application (no stamped, photocopied, or initialed signatures) and two copies by the deadline date to: U.S. Department of Agriculture, Rural Development, Rural Utilities Service, Water and Environmental Programs, STOP 1570, Room 2229-S, 1400 Independence Avenue, SW, Washington, DC 20250-1570, Telephone: (202) 720-9583. Submit paper applications marked “Attention: Water and Environmental Programs.” Applications must show proof of mailing or shipping by one of the following:

- i. A legibly dated U.S. Postal Service (USPS) postmark;
- ii. A legible mail receipt with the date of mailing stamped by the USPS; or,
- iii. A dated shipping label, invoice, or receipt from a commercial carrier.

b. If a deadline date falls on a weekend, it will be extended to the following Monday. If the date falls on a Federal holiday, it will be extended to the next business day.

c. Due to screening procedures at the Department of Agriculture, packages arriving via the USPS are irradiated, which can damage the contents and delay delivery. RUS encourages applicants to consider the impact of this procedure in selecting an application delivery method.

d. For submitting electronic applications, the following applies:

- i. Applications will not be accepted by fax or electronic mail.
- ii. Electronic applications for grants will be accepted if submitted through Grants.gov at <http://www.grants.gov/>.
- iii. Applicants must preregister successfully with Grants.gov to use the electronic applications option. Application information may be downloaded from Grants.gov without preregistration.
- iv. Applicants who apply through Grants.gov should submit their electronic applications before the deadline.
- v. Grants.gov contains full instructions on all required passwords, credentialing, and software. Follow the instructions at Grants.gov for registering and submitting an electronic application.

vi. Grants.gov has two preregistration requirements: a DUNS number and an active registration in SAM. See the “Checklist of Items in Completed Application Packages” for instructions on obtaining a DUNS number and registering in the SAM.

vii. You must be registered with Grants.gov before you can submit an electronic grant application by going to the Grants.gov website at: http://www.grants.gov/applicants/get_registered.jsp.

viii. Organization registration user guides and checklists are also available at Grants.gov.

ix. Grants.gov requires some credentialing and online authentication procedures. When an applicant organization is registered with SAM, the organization designates a point of contact who receives a password authorizing the person to designate staff members who are allowed to submit applications electronically through Grants.gov. These authorized organization representatives must be registered with Grants.gov to receive a username and password to submit applications. These procedures may take several business days to complete.

x. Some or all of the SAM and [Grants.gov](http://www.grants.gov) registration, credentialing and authorizations require updates. If you have previously registered at [Grants.gov](http://www.grants.gov) to submit applications electronically, please ensure that your registration, credentialing and authorizations are up to date well in advance of the grant application deadline.

xi. To use Grants.gov:

- (1) Follow the instructions on the website to find grant information.
- (2) Download a copy of an application package.
- (3) Complete the package off-line.
- (4) Upload and submit the application via the Grants.gov website.
- (5) If a system problem or technical difficulty occurs with an electronic application, please use the customer support resources available at the Grants.gov website.

(6) Again, RUS encourages applicants to take early action to complete the sign-up, credentialing and authorization procedures at Grants.gov before submitting an application at the website.

7. Deadlines.

The deadline for paper and electronic submissions is May 27, 2019. Paper applications must be postmarked and mailed, shipped, or sent overnight no later than the closing date to be considered for FY 2019 grant funding. Electronic applications must have an electronic date and time stamp by midnight EST of May 27, 2019 to be considered on time. RUS will not accept applications by fax or email. Applications that do not meet the criteria above are considered late applications and will not be considered. RUS will notify each late applicant that its application will not be considered.

8. Funding Restrictions

Grant proceeds may be used solely to establish the revolving loan fund to provide loans to eligible entities for: Pre-development costs associated with proposed or existing water and wastewater projects, and short-term costs incurred for replacement

equipment or other small capital projects not part of regular operations and maintenance of existing water and wastewater systems. Grant recipients may not use grant funds in any manner inconsistent with the purposes described in 7 CFR 1783.12 or in the terms of the grant agreement. Administrative expenses may, however, be paid or reimbursed from revolving loan fund assets that are not RFP grant funds, including revolved funds and case originally contributed by the grant recipient.

E. Application Review Information

Within 30 days of receiving your application, RUS will send you a letter of acknowledgment. Your application will be reviewed for completeness to determine if you included all of the items required. If your application is incomplete or ineligible, RUS will return it to you with an explanation. A review team, composed of at least two RUS staff members, will evaluate all applications and proposals. They will make overall recommendations based on factors such as eligibility, application completeness, and conformity to application requirements. They will score the applications based on criteria in the following section.

1. Criteria. All applications that are complete and eligible will be ranked competitively based on the following scoring criteria:

a. Degree of expertise and successful experience in making and servicing commercial loans, with a successful record, for the following number of full years:

- i. At least 1 but less than 3 years – 5 points.
- ii. At least 3 but less than 5 years – 10 points.
- iii. At least 5 but less than 10 years – 20 points.
- v. 10 or more years – 30 points.

b. Extent to which the work plan demonstrates a well thought out, comprehensive approach to accomplishing the objectives of this part, clearly defines who will be served by the project, clearly articulates the problem/issues to be addressed, identifies the service area to be covered by the RFP loans and appears likely to be sustainable; Up to 40 points.

c. Percentage of applicant contributions. Points allowed under this paragraph will be based on written evidence of the availability of funds from sources other than the proceeds of an RFP grant to pay part of the cost of a loan recipient's project. In-kind contributions will not be considered. Funds from other sources as a percentage of the RFP grant and points corresponding to such percentages are as follows:

- i. Less than 20 percent - ineligible.
- ii. At least 20 percent but less than 50 percent - 10 points.
- iii. 50 percent or more – 20 points.

d. Extent to which the goals and objectives are clearly defined, tied to the work plan, and are measurable; Up to 15 points.

e. Lowest ratio of projected administrative expenses to loans advanced; Up to 10 points.

f. The evaluation methods for considering loan applications and making RFP loans are specific to the program, clearly defined, measurable, and are consistent with program outcomes; Up to 20 points.

g. Administrator's discretion points up to 10 points may be awarded. To the maximum extent possible, there should be an emphasis on high poverty areas in rural communities and rural areas with the lowest incomes, particularly those areas with emphasis to areas where at least 45 percent of children qualify for the National School Lunch Program. Factors include:

i. Directs loans to the smallest communities with the lowest incomes emphasizing areas where according to the American Community Survey data by census tracts show that at least 20 percent of the population is living in poverty.

ii. Directs loans to areas which lack running water, flush toilets, and modern sewage disposal systems, and areas which have open sewers and high rates of disease caused by poor sanitation, in particular, Colonias or Substantially Underserved Trust Areas.

iii. Directs loans that emphasize energy and water efficient components to reduce costs and increase sustainability of rural systems.

2. Review and Selection Process

RUS will rank all qualifying applications by their final score. Applications will be selected for funding, based on the highest scores and the availability of funding for RFP grants. Each applicant will be notified in writing of the score its application receives.

This year administrative discretion points may be awarded for work plans that:

a. Direct loans to the smallest communities with the lowest incomes emphasizing areas where according to the American Community Survey data by census tracts show that at least 20 percent of the population is living in poverty.

b. Direct loans to areas that lack running water, flush toilets, and modern sewage disposal systems, and areas which have open sewers and high rates of disease caused by poor sanitation, in particular, Colonias or Substantially Underserved Trust Areas.

c. Direct loans that emphasize energy and water efficient components to reduce costs and increase sustainability of rural systems.

d. In making its decision about your application, RUS may determine that your application is:

i. Eligible and selected for funding,

ii. Eligible but offered fewer funds than requested,

iii. Eligible but not selected for funding, or

iv. Ineligible for the grant.

e. In accordance with 7 CFR part 1900, subpart B, you generally have the right to appeal adverse decisions. Some adverse decisions cannot be appealed. For example, if you are denied RUS funding due to a lack of funds available for the grant program, this decision cannot be appealed. However, you may make a request to the National Appeals Division (NAD) to review the accuracy of our finding that the decision

cannot be appealed. The appeal must be in writing and filed at the appropriate regional office, which can be found at www.nad.usda.gov or by calling (703) 305-1166.

F. Federal Award Administration Information

1. Federal Award Notices

RUS generally notifies by mail applicants whose projects are selected for awards. However, the receipt of an award letter does not serve to authorize the applicant to commence performance under the award. RUS will notify a successful applicant by an award letter accompanied by a grant agreement and multi-tier action environmental compliance agreement. The grant agreement will contain the terms and conditions for the grant; the multi-tier action environmental compliance agreement will detail the Recipient's responsibilities in meeting the Agency's Environmental Policies and Procedures, 7 CFR part 1970, in particular §1970.55 which applies to multi-tier actions or relending actions. The multi-tier action environmental compliance agreement acknowledges that further "tiered" environmental review may be required and coordinated by the Recipient prior to approving Subrecipient applications for re-lending purposes. The applicant must execute and return the agreements, accompanied by any additional items required by the award letter or grant agreement.

2. Administrative and National Policy Requirements

The items listed in Section D of this notice, the RFP program regulation and departmental and other regulations including 2 CFR parts 180, 182, 200, 400, 421 and any successor regulations implement the appropriate administrative and national policy requirements, which include but are not limited to:

a. SF-270, "Request for Advance or Reimbursement," will be completed by the Non-Federal Entity and submitted to either the state or national office no more frequently than monthly.

b. Upon receipt of a properly completed SF-270, the funds will be requested through the field office terminal system. Ordinarily, payment will be made within 30 days after receipt of a proper request for reimbursement.

c. Non-Federal Entities may use women- and minority-owned banks (a bank which is owned at least 50 percent by women or minority group members) for the deposit and disbursement of funds.

3. Reporting

a. Any change in the scope of the project, budget adjustments of more than 10 percent of the total budget, or any other significant change in the project must be reported to and approved by the approval official by written amendment to the grant agreement. Any change not approved may be cause for termination of the grant.

b. Non-Federal Entities shall constantly monitor performance to ensure that time schedules are being met, projected work by time periods is being accomplished, and other performance objectives are being achieved. The Non-Federal Entity will provide project reports as follows:

i. SF-425, “Financial Status Report (short form),” and a project performance activity report will be required of all Non-Federal Entities on a quarterly basis, due 30 days after the end of each quarter.

ii. A final project performance report will be required with the last SF-425 due 90 days after the end of the last quarter in which the project is completed. The final report may serve as the last quarterly report.

iii. All multi-State Non-Federal Entities are to submit an original of each report to the National Office. Non-Federal Entities serving only one State are to submit an original of each report to the State Office. The project performance reports should detail, preferably in a narrative format, activities that have transpired for the specific time period.

c. Financial reporting. The Non-Federal Entity will provide an audit report or financial statements as follows:

i. Non-Federal Entities expending \$750,000 or more Federal funds per fiscal year will submit an audit conducted in accordance with 2 CFR part 200. The audit will be submitted within nine months after the Non-Federal Entity’s fiscal year. Additional audits may be required if the project period covers more than one fiscal year.

ii. Non-Federal Entities expending less than \$750,000 will provide annual financial statements covering the grant period, consisting of the organization’s statement of income and expense and balance sheet signed by an appropriate official of the organization. Financial statements will be submitted within 90 days after the Non-Federal Entity’s fiscal year.

iii. Recipient and Subrecipient Reporting. The applicant must have the necessary processes and systems in place to comply with the reporting requirements for first-tier sub-awards and executive compensation under the Federal Funding Accountability and Transparency Act of 2006 in the event the applicant receives funding unless such applicant is exempt from such reporting requirements pursuant to 2 CFR part 170, §170.110(b). The reporting requirements under the Transparency Act pursuant to 2 CFR part 170 are as follows:

(1) First Tier Sub-Awards of \$25,000 or more in non-Recovery Act funds (unless they are exempt under 2 CFR part 170) must be reported by the Recipient to <http://www.fsrs.gov> no later than the end of the month following the month the obligation was made.

(2) The Total Compensation of the Recipient’s Executives (five most highly compensated executives) must be reported by the Recipient (if the Recipient meets the criteria under 2 CFR part 170) to <https://www.sam.gov/portal/SAM/#1> by the end of the month following the month in which the award was made.

(3) The Total Compensation of the Subrecipient’s Executives (five most highly compensated executives) must be reported by the Subrecipient (if the Subrecipient meets the criteria under 2 CFR part 170) to the Recipient by the end of the month following the month in which the subaward was made.

d. Multi-tier Action Environmental Compliance Agreement Reporting. Recipients must maintain environmental documentation associated with implementation of the multi-tier action environmental compliance agreement. The Recipient must retain

documentation for up to seven (7) years and make it available for Rural Development verification upon request as required by 7 CFR §1970.55(b).

G. Federal Awarding Agency Contacts

1. Website: <http://www.rd.usda.gov/programs-services/water-waste-disposal-revolving-loan-funds>
2. Phone: Derek Jones, 202-720-9640.
3. Fax: 202-690-0649.
4. E-mail: derek.jones@wdc.usda.gov.
5. Main point of contact: Derek Jones, Community Programs Specialist, Water and Environmental Programs, Rural Utilities Service, Rural Development, U.S. Department of Agriculture.

H. Other Information

1. USDA Non-Discrimination Statement

In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the responsible Agency or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.

To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at [How to File a Program Discrimination Complaint](#) and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form.

To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by:

(a) mail: U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410;

(b) fax: (202) 690-7442; or

(c) email: program.intake@usda.gov.

(d) USDA is an equal opportunity provider, employer, and lender.