

MEAT AND POULTRY INTERMEDIARY LENDING PROGRAM

Project Narrative Template

Thoroughly review the Meat and Poultry Intermediary Lending Program (MPILP) Notice of Funding Availability (NOFA) before completing this document. The use of this template is optional. However, you must address all content within the NOFA to ensure you submit a complete application. Documents must be submitted as Adobe Acrobat Portable Document Format (PDF) files, and attached to your application package in Grants.gov (www.grants.gov).

Section One: Applicant Information	2
Section Two: Scope of Work	4
Section Three: Plan for MPILP Grant Funds	11
Section Four: Lending Goals, Strategies, and Anticipated Outcomes	13
Section Five: Financial Statements to Support MPILP Revolving Loan Program Proposal	14
Section Six: Other Funding	15
Section Seven: Organizational Documents	16
Section Eight: Financial Resource Commitments	17
Section Nine: MPILP Revolving Loan Fund Plan	18
Section Ten: Resolution from the Board of Directors	20
Section Eleven: Affirmation and Certification	21

Section One: Applicant Information

Identifying Information

This information must match box 8 of SF-424 (available at <https://go.usa.gov/xzzMY>)

Applicant and organization information:

Name:	
Phone number:	
Email:	
Mailing address:	

Authorized Organization Representative

List the authorized organization representative (AOR) for application correspondence, and who will be responsible for signing documents if a grant is awarded. This information must match box 21 of SF-424 (available at <https://go.usa.gov/xzzMY>).

Authorized Organization Representative:

Name:	
Title:	
Phone number:	
Email:	
Mailing address:	

Project Title

Provide a brief, descriptive project title (15 words or fewer) in the space below. This information must match box 15 of SF-424 (available at <https://go.usa.gov/xzzMY>).

Funding Request

Enter the total amount (in U.S. dollars) of federal funds requested. This amount must match the total amount requested on Line 18a – “Estimated Federal Funding” – of SF-424 (available at <https://go.usa.gov/xzzMY>).

Funds Request Information

Total MPILP grant funds requested (the minimum amount for which an intermediary can apply is \$500,000):	
Total amount of other lending funds available:	
Total amount of lending funds available (MPILP and other):	

Section Two: Scope of Work

Use this section to demonstrate the feasibility of your program in meeting MPILP objectives.

Scope of Work

Describe the intermediary staff's **current and proposed capacity** for administering an MPILP revolving loan fund. **NOTE:** your MPILP mission statement must be included in this response. The mission statement must briefly address the goal of the applicant's proposed MPILP fund, its desired impact, and other factors justifying the proposed establishment of the MPILP fund.

Personnel

Personnel can be members or employees of the intermediary's organization, or contracted personnel employed on an as-needed basis, and as permitted by the notice of funding opportunity.

Staff Personnel

List the organization's employees whose time and effort can be specifically identified – and easily and accurately traced – to project activities. If necessary, add additional staff members in the space below the table. **NOTE:** Do **not** include contractors in this section.

Staff Personnel, excluding contractors:

Number	Name and Title
1	
2	
3	
4	
5	
6	
7	
8	
9	
10	

Space to add additional employee names, if needed:

Total number of Staff Personnel:

Personnel Qualifications

Include a statement of qualifications and experience for each staff member identified. This statement must feature their experience in loan making, monitoring, and servicing, including processing liquidations.

Contract Personnel

Contract personnel can be used to train, develop, or supervise the intermediary’s members or employees, or to provide interim expertise while the intermediary develops in-house experience. In addition to loan packaging, the intermediary can contract for general services such as clerical, administrative, and accounting.

NOTE: the intermediary cannot use contract personnel for the primary functions of its lending program, (examples include credit analysis or loan underwriting). The intermediary is expected to make an independent lending decision for each ultimate recipient loan request.

List current or anticipated contractors whose time and effort can be specifically identified – and easily and accurately traced – to project activities. If necessary, add additional staff members in the space below the table.

Current or anticipated contractors:

Number	Name and Title	Hourly or Flat Rate
1		
2		
3		
4		
5		
6		
7		
8		
9		
10		

Space to add additional contractor names, if needed:

Total number of Contracted Personnel:

Contractor Qualifications

Include a statement of qualifications and experience for each contractor identified.

Contractor Justification

Provide for each of the real or anticipated contractors listed above a description of the project activities they will accomplish to meet the objectives and outcomes of the project. Each section must also include a justification for why contractual or consultant services are to be used to meet the anticipated outcomes and objectives. Include timelines for each activity.

Contract review

For each contractor, the contract between the intermediary and the person or entity providing such service must be submitted for review by Rural Development, which will determine whether:

- The terms of the contract and its duration are sufficient to develop in-house expertise and to ensure the MPILP grant and revolving loan portfolio is adequately serviced throughout its existence.
- The intermediary's personnel have the necessary experience to administer the program.

Rural Development will not approve the grant request if the above criteria are not met.

By checking the box to the left, I understand that the intermediary must submit all applicable contracts with their application in order for it to be considered complete and reviewed by Rural Development.

Conforming with your Procurement Standards

- By checking the box to the left, I confirm that the applying organization:
- Follows the same policies and procedures used in making procurements from non-federal sources
 - Adheres to applicable state and local laws and regulations
 - Conforms to federal standards in 2 CFR Part 200.317 – 326 (available at this link: <https://go.usa.gov/xzceC>)

Further, I confirm that if contractors or consultants have not already been selected, our organization will follow the same requirements once they are in place.

Section Three: Plan for MPILP Grant Funds

Funds to Eligible Ultimate Recipients

Identify a sufficient number of proposed and known ultimate recipients to justify the level of funding of your request, **or** include well-developed targeting criteria for ultimate recipients consistent with the intermediary's mission and strategy for grant use. You must also include supporting statistical data or narrative evidence demonstrating that enough prospective ultimate recipients exist to justify the amount of your funding request.

Other Fund Uses

If the intermediary requests to use \$125,000 – or up to 5 percent of the funds, whichever is less – for a loan loss reserve, loan officer training, or MPILP operations, you must include a description of how those funds will be used.

Section Four: Lending Goals, Strategies, and Anticipated Outcomes

State the intermediary's goals, strategies, and anticipated outcomes with respect to the MPILP fund. Outcomes must be expressed in quantitative or observable terms (for example, additional meat processing capacity created) and must relate to the purpose of the MPILP. If your anticipated outcomes are quantitative in nature, you must also demonstrate how you derived your estimates.

Section Five: Financial Statements to Support MPILP Revolving Loan Program Proposal

Demonstrate the sustainability of the MPILP revolving loan fund by providing:

- A pro-forma balance sheet at start-up
- Projected balance sheets for at least three additional years. Balance sheets must include the accumulated debt service reserve and financial statements for the previous three years (or from inception, if the intermediary has been in operation less than three years)
- Projected cash flow and earnings statements for at least three years, supported by a list of assumptions showing the basis for the projections

NOTE: The projected earnings statement and balance sheet must include one set of projections that shows the MPILP revolving loan fund only, and a separate set of projections that shows the intermediary organization's total operations.

By checking the box to the left, I understand the intermediary **must** provide all financial statement information requested above – along with **all other required application components** – in order for our application to be considered complete and reviewed by Rural Development.

Section Six: Other Funding

Provide documentation of funds pledged – along with any intermediary equity contributions – to the MPILP revolving loan fund. **NOTE:** pledged funds and intermediary equity contributions must be in the form of cash. They cannot be in-kind contributions, and cannot be used as intermediary operating funds.

By checking the box to the left, I understand the intermediary must agree in writing to abide with Rural Development audit requirements – along with all other required application components – in order for our application to be considered complete and reviewed by Rural Development. Agency audit requirements are provided below.

1. Grantees must provide an annual audit in accordance with 2 CFR 200.500 – 521 (available at this link: <https://www.ecfr.gov>). Audit requirements apply both to the years in which grant funds are **received**, and the years in which work is **accomplished** and paid for using MPILP grant funds.
2. If grant expenditures do not meet the 2 CFR Part 200.501 threshold (available at this link: <https://www.ecfr.gov>) – currently \$750,000 – then records must be retained for review or audit in compliance with 2 CFR Part 200.501(d).
3. Post close-out adjustments (2 CFR 200.344-345, available at this link: <https://www.ecfr.gov>).

Section Seven: Organizational Documents

Submit complete organizational documents including:

- Articles of Incorporation
- By-laws
- Certificate of Good Standing
- List of board members with contact and lending experience information
- Evidence of the intermediary's authority to conduct the proposed lending activities **NOTE:** Provided Rural Development concurs with the assessment, this requirement can be satisfied with a written legal opinion from the intermediary's legal counsel.

By checking the box to the left, I understand the intermediary must submit the documents above – along with all other required application components – in order for our application to be considered complete and reviewed by Rural Development.

Section Eight: Financial Resource Commitments

Ability to Commit Financial Resources

Document the intermediary's ability to commit financial resources under its control to establish an MPILP. Documentation must include a statement of the sources of non-agency MPILP funds for administration of the intermediary's operations and loans for ultimate recipient projects.

Audit report

An existing intermediary must include its latest audit report as an attachment to its application.

By checking the box to the left, I understand that an existing intermediary must submit its latest audit report – along with all other required application components – in order for our application to be considered complete and reviewed by Rural Development.

By checking the box to the left, I confirm the intermediary's latest audit report is **not available**.

Provide additional context if the audit report is **not available**:

Section Nine: MPILP Revolving Loan Fund Plan

The MPILP revolving loan fund (RLF) plan governs the use of the RLF. It must be developed by the intermediary and approved by Rural Development. In addition to providing a detailed description of the intermediary's fund administration policies and procedures, the RLF plan must explain planned fund uses intended **after** the original MPILP funds have revolved. Fund administration policies and procedures must also include information regarding the review and approval of loans – including participation loans – from the fund. The RLF plan must be of sufficient and detailed information to provide Rural Development with a comprehensive understanding of what the intermediary will accomplish by lending funds to the ultimate recipient. It must also describe in depth the mechanics of how the funds – including participation loans – will move from the intermediary to the ultimate recipient. Your MPILP revolving loan fund plan must contain:

1. The specific service priority of the MPILP revolving loan fund, including:
 - a. names of counties or cities within a geographic service area
 - b. the animal species to be processed
 - c. other priorities relevant to the middle-of-the-food-supply chain to address use of MPILP grant and revolved funds
2. Ultimate recipient eligibility criteria, loan purposes, loan priorities, fees, rates, terms, loan limits and collateral requirements
3. Details on the intermediary's application review and approval process
4. Details on the method of disposition of funds to the ultimate recipient, monitoring of the ultimate recipient's accomplishments, and reporting requirements by the ultimate recipient's management
5. A copy of the intermediary's ultimate recipient loan application package and sample loan documents, including application forms, debt instruments, collateral and security documents, and so on.

Section Ten: Resolution from the Board of Directors

A resolution by the intermediary's Board of Directors is required before you apply for MPILP funding. Minimally, the intermediary's executive director must make the organization's Board of Directors aware that the organization is considering entering into an agreement to fulfill the terms of – and report on – Rural Development's MPILP grant.

By checking the box to the left, I understand the intermediary must provide the documents described in the above section. Along with all other required application components, these items must be present in order for our application to be considered complete and reviewed by Rural Development.

Section Eleven: Affirmation and Certification

I affirm and certify the following:

1. The intermediary is domiciled in a state or U.S. Territory, and is one of the following types of entities:
 - a. Private, nonprofit corporation
 - b. Public agency
 - c. Federally-recognized Tribe
 - d. Cooperative
2. The intermediary has the legal authority to carry out the proposed grant purposes.
3. If the intermediary is an affiliate of another entity, the intermediary's governing board is independent of the affiliated entity.
4. The intermediary is not debarred or suspended by the federal government, nor is the intermediate an affiliate of a debarred or suspended entity.
5. The intermediary's SAM.gov registration is active at the time of application.
6. The intermediary acknowledges it will be checked against the federal Do Not Pay portal at the time of application, prior to any obligation of MPILP grant funds, and again at the time of each federal disbursement of MPILP grant funds.
7. The intermediary has the capacity to conduct outreach, marketing, and underwriting of loan applications, and to provide the servicing and monitoring of its proposed MPILP Revolving Loan Fund portfolio.
8. If the intermediary cannot meet the requirement for loan making and servicing experience, the intermediary will apply for an exception on the grounds that the intermediary:
 - a. itself has a proven record of successfully assisting (other than through lending) meat or poultry processors through technical assistance or business development projects to processors
 - b. will, before the MPILP grant is obligated, employ individuals with loan making and servicing experience, and qualifications and expertise for the operation and administration of an MPILP revolving loan fund as described in the notice of funding opportunity. **NOTE:** Employees must not be contracted staff and staff from affiliates of the intermediary.

9. The intermediary employs a staff with loan making and servicing expertise, and does not need to contract employees to perform day-to-day lending operations.
10. The intermediary's balance sheet has capital or equity to sustain its lending and business operations.
11. At least 51 percent of the outstanding interest or membership in any nonpublic body intermediary is composed of U.S. citizens or permanent U.S. residents. .
12. The intermediary and its principals do not have any delinquent debt to the U.S. Federal Government.
13. The amount of the grant, together with other funds available, is adequate to ensure the establishment or continuation of an effective MPILP revolving loan fund, or to achieve the purposes for which the grant is made.
14. The intermediary will inform Rural Development if it is currently under – or subsequently comes under – a consent order from a federal or state agency.
15. The intermediary maintains written standards of conduct covering conflicts of interest.
16. The intermediary maintains internal audit and management control systems to evaluate and monitor loan portfolios.
17. The intermediary was **not** established for the financial benefit of an affiliate through loan participations.
18. The intermediary will not predominantly use MPILP grant funds for the financial benefit of an affiliate through loan participations.
19. The intermediary holds policies for fidelity bond coverage or employee dishonesty insurance that protects the intermediary from losses incurred as a result of theft by its employees.
20. The intermediary must not use more than \$10 million in MPLIP grant funds for any single loan to an ultimate recipient.
21. The intermediary must only loan funds to ultimate recipients who reside in – and whose projects are located in – the U.S.
22. I understand that USDA Rural Business-Cooperative Service (RBCS) will rely on the accuracy of the submissions and certifications made with this application. Any misrepresentation or inaccurate information can render an application ineligible, or cause forfeiture of grant funds. I further understand I may be required to submit backup documentation proving the accuracy of my answers.

23. I understand that signing this document does not constitute grant approval by USDA RBCS.

I, the undersigned, declare that I have reviewed the application and all accompanying documentation, and to the best of my knowledge and information, it is true, correct, and complete. I hereby agree with all program requirements as specified above.

NOTE: Anyone who makes false, fictitious, or fraudulent statements or entries is subject to a \$10,000 fine, imprisonment for not more than five years, or both, as prescribed by 18 U.S.C 1001 (available at this link: <https://go.usa.gov/xzch2>).

Signature:

Date:

NOTE: You can use the MPILP Application Checklist (available at this link: <https://www.rd.usda.gov/mpilp>) to ensure all your documents are in order.

EQUAL OPPORTUNITY STATEMENT

USDA is an equal opportunity provider, employer, and lender.