

Rural Business Development Grant

Application Guide

2021 RURAL BUSINESS DEVELOPMENT GRANT APPLICATION

Submitted by:

Applicant Name: [Redacted]

Address: [Redacted]

City: [Redacted]

State: [Redacted]

Zip Code: [Redacted]

Phone #: [Redacted]

Email: [Redacted]

Submit Application to:

USDA RD Staff Name: [Redacted]

Address: [Redacted]

City: [Redacted]

State: [Redacted]

Zip Code: [Redacted]

Phone #: [Redacted]

Email: [Redacted]

Subject to funding, the deadline for receipt of the application for Enterprise and Opportunity funds is 4:30 PM local time March 31, 2021. The deadline for receipt of the application for Rural Transportation Systems will be established at a later time. The application date and time are firm. You may hand deliver your application to one of our field offices, but it must be received by 4:30 PM on the deadline date. Late applications are not eligible for funding. Acceptance by the United States Postal Service or private mailer does not constitute delivery.

The RBDG program operates under RD Instruction 4280-E located at: <http://www.rd.usda.gov/files/4280e.pdf>

This application template is a guide created to assist the applicant in submitting a complete RBDG application. The application guide does not replace the instruction. **Use of the application guide is not required (Optional).** However, applicants must provide all required information as stated in the Instruction. The Agency may request additional information to assist in the application review process. Applicants are encouraged to read the Instruction and discuss the program requirements with USDA Rural Development staff.

Revised October 2020

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Background

The Congressional mandate established by Congress in the Agricultural Act of 2014 (2014 Farm Bill) requires USDA Rural Development to establish a new program called the Rural Business Development Grant (RBDG) which combines the former Rural Business Opportunity Grant (RBOG) and Rural Business Enterprise Grant (RBEGR). The Agency has made no substantive changes to either program when combining the regulations into one RBDG program.

USDA Rural Development is charged with assisting, the startup, expansion and continuation of small and emerging businesses and/or non-profits in rural communities. Rural Development supports this portion of the overall mission through two grant programs, the RBEGR and RBOG programs.

Rural Development makes RBEGRs to public bodies and non-profit corporations so that they may assist small and emerging businesses and/or non-profits in their communities to create and support jobs. RBEGR funds may be used to: Acquire or develop land, buildings, plants, equipment; access streets and roads, parking areas, utility extensions, necessary water and supply and waste disposal facilities; provide technical assistance; establish revolving loan funds; and to create, expand, or operate rural distance learning programs that provide educational or job training instruction related to potential employment or job advancement to adult students.

RBOG funds are made to public bodies and non-profit corporations to assist businesses and/or non-profits in their communities. RBOG funds may be used to assist in the economic development of rural areas by providing technical assistance, training, and planning for business

The Agency combined 7 CFR part 1942, subpart G and 7 CFR part 4284, subpart G into the RBDG rule at 7 CFR part 4280, subpart E. Rural Development has also integrated applicable general provisions of 7 CFR part 4284, subpart A into the RBDG rule. Essentially, the Agency did not change any of the requirements of either program but blended the two regulations into one and eliminated duplicative portions so that there is only one set of requirements. The Agency also combined definitions so that the public has one definition for both programs as well as blended the scoring requirements of both former regulations. Finally, the Agency blended the application processes into one streamlined set of procedures under the RBDG funding, incorporating the statutory language of the 2014 Farm Bill (7 U.S.C. 1932(c) specifying how the funding would be split.

Grant funds may be used for projects identified as either business opportunity type grants or business enterprise type grants. The Agency will set aside 10 percent of its RBDG appropriation for business opportunity type grants. The Agency reserves the right to reallocate funds set aside for business opportunity type grants to business enterprise type grants if it becomes apparent to the Agency that there is insufficient demand for the funds set aside for the business opportunity type grants.

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CHECKLIST

Before you submit your application, please be sure you have addressed all of the following elements.

Required forms

- Form SF-424, "Application for Federal Assistance"
- Form SF-424A, "Budget Information-Non-Construction Programs"
- Form SF-424C, "Budget Information - Construction Programs" (*for construction projects only*)
- Form SF-424D, "Assurances - Construction Programs" (*for construction projects only*)
- Form RD 400-1, "Equal Opportunity Agreement"
- Form RD 400-4, "Assurance Agreement"
- Form AD 1047, "Certification Regarding Debarment"
- Form AD 1048, "Certification Regarding Debarment" (Signed by the Ultimate Recipient if known)
- Form AD 1049, "Certification Regarding Drug Free Workplace"
- RD Inst. 1940-Q, Exhibit A-1, "Certification for Contracts, Grants, & Loans" (for grants exceeding \$100,000)
- Form "Applicant's Guide to Providing Environmental Review Information" (*for construction projects only*)
- Form AD-3030, "Representations Regarding Felony Conviction and Tax Delinquency Status for Corporate Applicants" (Corporations only)
- SF LLL "Disclosure of Lobbying Activities"
- Compliance with RD 1900-D Instruction
- Resolution passed by the board authorizing entity to apply and administer the RBDG including the name and title of the person authorized to sign grant agreements (Appendix A)
- Applicant Certifications
- Form 1980-88 "Strategic Economic and Community Development (Section 6025) Priority" (Only if Applicable)

Section 1. Summary Information

- Legal name of applicant
- Requested Grant Amount
- DUNS Number
- SAM Registration Cage Code and Expiration Date
- NAICS Code Number

Section 2. Applicant Eligibility

- Applicant Type

Section 3. Project Eligibility

- Business Enterprise Grant Project
 - Development or Financing of Small & Emerging Business

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OR

- Business Opportunity Grant Project
 - Economic Development Result
 - Local and Area-Wide Strategic Plans

OR

- Rural Transportation Grant Project

Section 4. Written Narrative

- Project Need and Benefits (All Applicants)
- Eligible Grant Purpose (All Applicants)
- Area to be Served/Method and Rational to Select Service Area and Business Recipients (All Applicants)
- Coordination with Area Economic Development Activities (Opportunity and Transportation)
- Businesses to be Assisted and Economic Development to be Accomplished (Enterprise and Transportation)
- Jobs Created/Saved (Enterprise)
- Applicant Expertise & Work Performance (All Applicants)
- Suggested Performance Criteria (Enterprise and Opportunity)

Appendices

- Appendix A – Organizational Documents and Attorney Opinion
- Appendix B – Proposed Scope of Work
- Appendix C – Leveraged Funds Verification
- Appendix D – Documentation of Experience
- Appendix E – Letters from Businesses to be Assisted
- Appendix F – Environmental Review Information
- Appendix G – Additional Supporting Documentation
- Appendix H – Financial Documentation
- Appendix I – Frequently Asked Questions

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APPLICATION TEMPLATE

SECTION 1: SUMMARY INFORMATION

Legal Name of Applicant:

Signing Official and Title (Mayor, President, Chair):

Requested Grant Amount: \$

DUNS #

SAM/CCR Registration Cage Code:

Expiration Date:

Applicant NAICS Code:

All applicants for Federal grant funding must register in the System for Award Management (SAM), at <https://www.sam.gov> at no cost. Registration may take 1-1.5 hours to complete and requires a DUNS #, tax ID and business name, statistical and financial information about the business (including number of employees and annual receipts for each of the previous 3 years), and Electronic Funds Transfer information for payment of grant disbursements to grantee (Routing #, Account #, ACH contact). An original, notarized letter must be sent to the Federal Service Desk to authorize an appointed Entity Administrator for applying entity. Registration activation will take around 30 days. A CAGE code number and expiration date will be provided when the registration is activated and **must** be included in your RBDG application information. For technical assistance, call the toll-free assistance line at 1-866-606-8220 and press "1." Enter the registration cage code and expiration date in field 5(a), "Federal Entity Identifier," on Form SF-424.

This registration must remain active, with current information, at all times during which an entity has an application under consideration by an Agency or has an active Federal Award. To remain registered in the database after the initial registration, the applicant is required to review and annually update its information in the database to ensure it is current, accurate and complete.

SECTION 2: APPLICANT ELIGIBILITY

Applicant Type– Please Check One and Provide Information as Described in Appendix A "Organizational Documents":

Public Body/Government Entity

Indian Tribe

Nonprofit entity

Other Qualified National Organizations (Rural Transportation System Applicants Only)

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SECTION 3: PROJECT ELIGIBILITY

Type of Project – Please Check One:

- Business Enterprise Grant Project
- Business Opportunity Grant Project
- Rural Transportation Systems Grant Project

Rural Development makes Rural Business **Enterprise Grants** to public bodies/Government entities, Indian Tribes, or non-profit entities so that they may assist small and emerging businesses and/or non-profits in their communities to create and support jobs. RBEG funds may be used to: Acquire or develop land, buildings, plants, equipment; access streets and roads, parking areas, utility extensions, necessary water and supply and waste disposal facilities; provide technical assistance; establish revolving loan funds; and to create, expand, or operate rural distance learning programs that provide educational or job training instruction related to potential employment or job advancement to adult students.

Rural Business **Opportunity Grants** are made to public bodies/Government entities, Indian Tribes, or non-profit entities to assist businesses and/or non-profits in their communities. RBOG funds may be used to assist in the economic development of rural areas by providing technical assistance, training, and planning for business.

Business Enterprise Grant Projects Only:

- **Development or Financing of Small & Emerging Private Businesses**

A Small and Emerging Business is defined as “Any private and/or Nonprofit business which will employ 50 or fewer new employees and has less than \$1 million in gross revenue; for retail operations, total sales minus cost of goods sold minus returns; or for a service organization, gross revenue minus cost of providing service; or for a manufacturing operation it will be total sales minus cost of raw materials minus the cost of production.

For an Indian Tribal business to be considered small and emerging, its management and Board of Directors must operate independently of the Tribal Council. In order to be considered independent, the majority of the Board of Directors must come from areas other than the Tribal Council members or their families and they cannot be removed without cause.

The small and emerging business must be a clearly separate entity from the applicant. The applicant will work with the small and emerging business. Example: Applicant purchases equipment and leases it to the business; Applicant rehabs a building and leases it to the business; Applicant provides technical assistance (training) to the business; Applicant creates a revolving loan fund and makes loans to the business.

[Insert description how grant funds will specifically result in the development of Small and Emerging Businesses in Rural Areas]

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Business Opportunity Grant Projects Only:

- Economic Development Result

Opportunity Type Grants may be made only when there is reasonable prospect that the project will result in economic development of a rural area.

[Insert description how economic development will occur as a result of the proposed project. Include demonstration of project sustainability once the grant is complete. Supporting documentation may be inserted in Appendix G]

- Local and Area-Wide Strategic Plans

Grants may be made only when the proposed project is consistent with local and area-wide strategic plans for community and economic development, coordinated with other economic development activities in the project area.

[Describe how the project coincides with local or regional strategic plans. Supporting documentation may be inserted in Appendix H]

SECTION 4: WRITTEN NARRATIVE (All Applicants)

4.1 Project Need and Benefits

[Explain why the project is needed and the benefits of the proposed project. Supporting documentation may be inserted in Appendix H.]

4.2 Eligible Grant Purpose

[Explain how the proposed project meets the grant eligible purposes as listed in the Regulation <http://www.rd.usda.gov/files/4280e.pdf> Section 4280.417 Project Eligibility]

4.3 Area to be Served/Method and Rationale to Select Service Area & Business Recipients

[Describe the area to be served, identifying each governmental unit (i.e. city, township, county, etc.) to be affected by the project. Example: If the project will mostly only benefit the residents of a specific city, state the city name; if the project service area will include several counties, list the counties.]

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[Describe how the service area was selected and the businesses that will receive assistance. If the businesses haven't been selected, describe how they will be selected. This could be based on the pre-defined service area of the applicant such as businesses located within the JDA service area.]

4.4 Coordination with Area Economic Development Activities

[Description of how the project will coordinate Economic Development activities with other Economic Development Activities within the project area. Is this part of a larger plan? Are there existing partnerships etc.?)

4.5 Businesses to be Assisted and Economic Development to be Accomplished

[Describe Businesses to be assisted (if appropriate) and Economic Development to be accomplished. Letters from the businesses may be placed in Appendix E]

4.6 Jobs Created/Saved

[Describe how the proposed project will create, increase or support jobs in the service area and provide an estimated number of direct jobs created and/or jobs saved within the next 3 years. Jobs are based on 35 hours as a Full-time Equivalent. If part-time or seasonal employees, please provide the hours per week and number of weeks per year. This is evidenced by letters from rural businesses that will be directly assisted in Appendix E.]

4.7 Applicant Expertise & Work Performance

[Describe how the work will be performed including whether organizational staff, consultants or contractors will be used. Provide the name of the consultant.]

[Insert description of Applicant's demonstrated capability and expertise in providing the proposed project assistance or similar economic development activities, including experience of key staff members and persons who will be providing the proposed project activities and managing the project. If consulting with others on tasks, include their applicable experience. Attach resumes and other supporting documentation of experience in Appendix D]

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5.0 Suggested Performance Criteria

[Insert a description of the basis for determining the success or failure of the project and individual major elements of the project. Outline procedures that will be taken to assess the project's impact at its conclusion. Example: Suggest one or more relevant criterion to be used to evaluate the performance of the grant project during its operational phase and post-award, as quantitative benchmarks to assess whether the primary goals and objectives proposed in the scope of work are accomplished during the project period. These criteria should relate to the overall project goal of financing and/or assisting small and emerging businesses or conducting business opportunity projects, with a resulting creation or saving of jobs. Keeping in mind that the project performance criteria will be monitored after the grant is completed.]



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NON-DISCRIMINATION STATEMENT

“In accordance with Federal civil rights law and the 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 on the basis of 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 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 http://www.ascr.usda.gov/complaint_filing_cust.html 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:

- (1) Mail: U.S. Department of Agriculture
Office of the Assistant Secretary for Civil Rights
1400 Independence Avenue, SW
Washington, D.C. 20250-9410*
- (2) Fax: (202) 690-7442; or*
- (3) Email: program.intake@usda.gov*

USDA is an equal opportunity provider, employer and lender.

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Scoring Information

Applications for Rural Business Development Grants will be evaluated based on the following criteria:

Scoring Criteria: *Leveraging - Applicant has evidence of commitment of funds from nonfederal sources for proposed project. Rural Development funds divided by total project costs \$ ____ X 100 = _____% which is Rural Developments portion of project funding*

If Rural Development portion of project funding is:

- | | |
|--------------------------------|-----------|
| 1. Less than 20 percent | 30 points |
| 2. 20 but less than 50 percent | 20 points |
| 3. 50 but less than 75 percent | 10 points |
| 4. 75 percent or more | 0 points |

Scoring Criteria: *Size of Grant Request*

- | | |
|--|-----------|
| 1. Less than \$100,000 | 25 points |
| 2. \$100,000 to \$200,000 | 15 points |
| 3. More than \$200,000 but not more than \$500,000 | 10 points |

Scoring Criteria: *Indirect cost - Applicant is **not** requesting grant funds to cover their administrative or indirect costs. 5 points*

Scoring Criteria: *Population - Proposed project(s) will be located in a community of:*

- | | |
|---------------------------------------|-----------|
| 1. Under 5,000 | 15 points |
| 2. Between 5,000 and less than 15,000 | 10 points |
| 3. Between 15,000 and 25,000 | 5 points |

Scoring Criteria: *Unemployment - Proposed project(s) will be located in areas where the unemployment rate:*

- | | |
|--|-----------|
| 1. Exceeds the State rate by 25% or more | 20 points |
| 2. Exceeds the State rate by less than 25% | 10 points |
| 3. Is equal to or less than the State rate | 0 points |

Scoring Criteria: *Median Household income - Proposed project(s) will be located in areas where the median household income (MHI) for the State is:*

- | | |
|---|-----------|
| 1. Less than poverty line | 25 points |
| 2. More than poverty line but less than 65% | 15 points |
| 3. Between 65% and 85% | 10 points |
| 4. Equal to or greater than 85% | 0 points |

Scoring Criteria: *Economic Distress - Points will be awarded for each of the following criteria met by the community or communities to benefit from the grant (cannot exceed 40 points total):*

- | | | |
|--|-----------|------------------------|
| 1. Trauma
(Natural disaster occurred not more than 3 years prior to filing application) | 15 points | FEMA Designation _____ |
| 2. Economic distress
(Military Base/Employer 20% or more loss in total jobs) | 15 points | |

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3. Long-Term Poverty 10 points
(Demonstrated by being a former EZ/EC, REAP, CC or a persistent poverty county) - indicate which _____

4. Long-term population decline 10 points
(Demonstrated by latest 3 decennial Census) - Show amounts _____

Subtotal _____ (Cannot Exceed 40 Points)

Scoring Criteria: Applicant has written evidence that small business development will be supported by startup or expansion as a result of the grant. 5 points for each letter for separate businesses up to 25 points

Scoring Criteria: Applicant has written evidence that the proposed project will create and/or support existing jobs. The number of jobs must be evidenced by a **written commitment from the business to be assisted.**

- | | |
|--|-----------|
| 1. One job for less than \$5,000 | 25 points |
| 2. One job for 5,000 but less than \$10,000 | 20 points |
| 3. One job for \$10,000 but less than \$15,000 | 15 points |
| 4. One job for \$15,000 but less than \$20,000 | 10 points |
| 5. One job for \$20,000 but less than \$25,000 | 5 points |

Amount of Grant divided by number of jobs = \$_____/jobs

Scoring Criteria: Applicant has evidence of successful experience in type of activity.

- | | |
|--------------------------------------|-----------|
| 1. 10 or more years | 30 points |
| 2. At least 5 but less than 10 years | 20 points |
| 3. At least 3 but less than 5 years | 10 points |
| 4. At least 1 but less than 3 years | 5 points |

Number of years' experience

Additional Scoring Criteria

Scoring Criteria: Discretionary points - Either the State Director or Administrator may assign up to 50 discretionary points to an application. Assignment of discretionary points must include a written justification. Permissible justifications are geographic distribution of funds, special Secretary of Agriculture initiatives such as Priority Communities, or a state's strategic goals. Discretionary points may only be assigned to initial grants. However, in the case where two projects have the same score, the State Director may add one point to the project that best fits the State's strategic plan regardless of whether the project is an initial or subsequent grant.

****Additional information that may be provided to back-up the scoring above which has not already been made a part of this application may be attached in Appendix G.**

APPENDICES

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APPENDIX A: Organizational Documents

Public Body:

- Documentation of organization
- Attorney Opinion Letter
- Resolution passed by the board authorizing entity to apply and administer the RBDG including the name and title of the person authorized to sign grant documents.

Native American Indian Tribe:

- Documentation indicating the Tribe is listed on the Federally Recognized Native American Indian Tribes list as published annually in the Federal Register.
- Attorney Opinion Letter
- Resolution passed by the Tribal Council authorizing entity to apply and administer the RBDG including the name and title of the person authorized to sign grant documents.

Non-Profits:

- Articles of Incorporation or Organization (including any amendments)
- By-Laws (Including any amendments)
- Copy of IRS Non-Profit Determination
- Certificate of Good Standing from the Secretary of State. Certificate should be less than one-year-old.
- Attorney Opinion Letter
- Resolution passed by the board authorizing entity to apply and administer the RBDG including the name and title of the person authorized to sign grant documents.

The attorney's opinion letter should state the following:

1. The applicant is duly organized, is in good standing, has the power to execute, deliver and perform its obligations under the grant documents and that there is no pending or threatened litigation that would adversely affect the applicant's ability to perform its obligations to Rural Development.
2. All actions by the applicant meet statutory requirements, no litigation threatens the applicant and the project meets zoning laws.

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APPENDIX B Proposed Scope of Work

Please attach your proposed scope of work (SOW) which will include a description of the proposed project, e.g., Revolving Loan Fund, Technical Assistance, Industrial Site, Business Opportunity and Other Business Development, details of the proposed activities to be accomplished, budget for the proposed activities to be accomplished, timeframes for completion of each task, the number of months duration of the project, and the estimated time it will take from grant approval to beginning of project implementation.

The Scope of Work will be used to measure the performance of the grantee. It is important to provide specific information as to how the grant funds will be utilized and who is responsible for each task of the project. Please provide enough detail to the scope of work to thoroughly explain your project. RBDG grants must be utilized within twelve months. It is recommended to start the SOW as of July 1, 2020 and running it as late as June 30, 2021.

Revolving Loan Fund applicants may request an additional example of an RLF specific Scope of Work. RLF's must also plan to fully expend grant funds within twelve months.

If indirect (administration) is included within the budget, the grant applicant may use an approved federally negotiated indirect cost rate. A copy of the current rate agreement must be provided with the application. Otherwise, indirect costs are limited to 10% of the modified total direct costs as defined by the CFR 200 "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards."

The budget within the SOW should match the total line item budget submitted as SF424A (Non-construction budget) or SF424C (Construction budget) and the "Estimated Funding" (Item #18 of the SF424)

Please utilize the below tables within your Scope of Work.

a. Project Scope of Work and Budget Summary

Summarize the total project budget by task. Insert additional rows as needed.

Task #	Task Name and Description	Person or Entity Responsible	Start Date	End Date	RBDG Funds	Supplemental Funds	Total Project Costs
	<u>What will be accomplished and how?</u>	Who is responsible?					
1	<i>i.e. develop business plan</i>	<i>John Doe, consultant</i>	<i>7/1/19</i>	<i>6/30/20</i>			
	TOTAL PROJECT				\$	\$ Any supplemental funds listed must be	\$ Must match the SF424 Budget

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						verified in Appendix C	
--	--	--	--	--	--	------------------------	--

[Insert full description of each task.]

a. Task Budget Format

Provide a budget table for **each task** that will be completed for **each main activity** listed above only if appropriate to further break down the item.

Add additional task tables as needed.

Task #1 Budget Categories	RBDG Funds	Supplemental Funds	Total Project Costs
Personnel			
Fringe Benefits			
Travel			
Supplies			
Contractual			
Total	\$	\$	\$

Provide explanation/clarification of the basis for the above budget figures:

[Insert task budget explanation]

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The final page of the Scope of Work should include the below language and a signature by the Grantee.

This Scope of Work is submitted by the grantee. Upon approval by the grantor, the grantee agrees that no changes will be made to the Scope of Work without prior written approval by the grantor.

[APPLICANT NAME] (GRANTEE)

By: _____
(Signature) (Title) (Date)

This Scope of Work is hereby approved by USDA - Rural Development.

USDA - RURAL DEVELOPMENT

By: _____
(Signature) (Title) (Date)

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APPENDIX C Leveraged Funds Verification

Documentation verifying the availability and amount of other funds to be used in conjunction with the RBDG. The documentation should evidence that the leveraged funds are available and have been committed to the project. The documentation must be included in your application to qualify for consideration under the applicable scoring criterion. (Note: Other Federal Funds and applicant contributed in-kind are not considered match for scoring purposes.)

Examples of acceptable documentation include: copy of a current bank statement or a copy of the confirmed funding commitment from the funding source.

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APPENDIX D Documentation of Experience

Please attach documentation of experience with proposed project activities (resumes, statement of qualifications, etc.) Experience should include specific descriptions (including years of the specific experience) and examples to match experience with the application proposal. Example: If the project is for a Revolving Loan Fund, please describe the applicant's experience with revolving loan funds including the dates of experience. If the project involves providing technical assistance, please describe the applicant's history in providing similar TA. If the project involves the purchase and subsequent lease of equipment or a building to a business, please provide the applicant's experience in leasing equipment or a building.

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APPENDIX E Letters from Businesses to be Assisted

Please attach letters of support for proposed project activities from the businesses to be assisted. This is the written evidence of commitment from small businesses that small business development will be supported by startup or expansion as a direct result of the RBS program assistance. Letters may also address jobs created/saved if the applicant wishes to receive consideration in the scoring of the application for the jobs. Part-time jobs must indicate the number of hours per week. Full-time equivalent positions are based on a 35-hour workweek. Generic or duplicated letters are not acceptable; letters must be on the business' letterhead and address the specific business preparing the letter, the connection to the project activities and further provide information relative to jobs to meet the criteria.

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APPENDIX F Environmental Review Information

[Please check the appropriate box below:](#)

- The project is for technical assistance and does not require an Environmental Review
- The project is for equipment purchase and does not require an Environmental Review
- The project is for a revolving loan fund and the individual loans are not known at this time.
- The project is for construction or rehab and will need an environmental review. (Attach Applicant's Guide to Providing Environmental Review Information.) This information will allow the USDA to determine if an additional environmental review is needed.

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Appendix G– Additional Supporting Documentation

- Attach any additional documentation to back up scoring information.
- Population, Unemployment and Median Household Income will be determined by RD staff utilizing weighted averages based on the project area provided in 4.3.
- If the area provided in 4.3 has had a FEMA designation within the past three years, please include the FEMA designation number.
- Economic Distress must be documented by data and/or facts showing the job loss within the previous three years.
- Documentation of successful experience is included with Appendix D.

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APPENDIX H Applicant's Financial Documentation

Attach your latest 3 years of financial information to evidence your financial capacity to carry out the proposed work. If your entity is less than 3 years old, the information should include all balance sheet(s), income statement(s) and cash flow statement(s) available. Audited financial statements are preferred, if available. Please attach complete copies. Emailed versions are not acceptable.

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Appendix I– Frequently Asked Questions

Q: What is the CFDA (Code of Federal Domestic Assistance) Number?

A: The CFDA for the Rural Business Development Grant program is 10.351.

Q: What is the Funding Opportunity Number?

A: The RBDG does not have a funding opportunity number. You may leave this field blank on the SF424.

Q: Do you accept emailed applications?

A: Emailed applications will not be accepted for consideration.

Q: Is the deadline in your office or postmarked?

A: The application deadline is the date and time that the application must be received by Rural Development if hand delivered. If mailing the postmark must be February 26, 2021 or before.

Q: How do I address the application package?

A: Please address to USDA RD Staff Members name on first page of this document.

Q: I've heard that we need to lease out the property purchased with these funds. I thought this was a grant program.

A: The RBDG is a grant to the applicant. The applicant must purchase the property or otherwise complete the Scope of Work (purchase a building etc.) and then leases the property to a small and emerging business at a fair market rate (IRS depreciation rate at a minimum). If the applicant were to lease the property for a minimum amount (such as a \$1/year) it is considered a "pass through grant" which is an ineligible use of funds. The applicant can then continue to use those funds for other eligible RBDG type projects or if sitting idle, returned to the Federal government at the Federal Government's participation percentage of the project.

Q: Is the Intergovernmental Review/Intergovernmental Clearance/Executive Order 12372 required?

A: No, this is not required in South Dakota.

Q: Who should sign the SF424 as the "Authorized Official"?

A: Please have the Chairperson/President/Mayor sign the SF 424 with the appropriate title. This person should have the authority to commit the organization to the requirements of the grant. Looking ahead, this is the person that will receive the correspondence from USDA including the documents accepting the grant if awarded.

Q: Can someone else be the "Contact" for the grant?

A: Yes, please place this information in Section "F" of the SF424 "Name and Contact Information of Person to be Contacted on Matters Involving this Application."

Q: What are the administration requirements of the RBDG?

Rural Business Development Grant

Application Guide

- A: The administration of the RBDG does require some time for quarterly reports and proper documentation of expenditures. There are other on-going reports which may be annual or tri-annual once the project is completed dependent upon the nature of the project (technical assistance, equipment purchase, building construction or RLF). RBDG grant administration is a separate training provided to all grant recipients once the grant is awarded. USDA staff works closely with the awardees so that they become comfortable with the reporting and process. If you would like to receive the administration training material prior to application, please make a request to the USDA RD Staff Members name on the first page of this document.
- Q: Can we include administration costs in the budget?
- A: Yes – applicants may utilize a previously negotiated (and approved) Federal indirect cost rate. Otherwise, indirect costs are limited to 10% of the modified total direct costs as defined by the CFR 200 “Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.” The CFR 200 may be located at: <http://www.ecfr.gov/cgi-bin/retrieveECFR?gp=&SID=e399902ddf78b795f75a66f7b5cf08fd&mc=true&n=pt2.1.200&r=PART&ty=HTML> *Please remember that the scoring process awards 5 points if the applicant DOES NOT include administration in the budget.*
- Q: What areas will you review for accessibility compliance?
- A: All projects funded with Federal funds are required to be ADA accessible or a transition plan created to become accessible. This includes the applicant’s place of business as well as the assisted project.

Please check our website for additional questions and answers. <https://www.rd.usda.gov/programs-services/rural-business-development-grants/sd>