

1. Can funds be used to pay for office equipment, office furniture, working capital, purchase or lease of a building, and/or renovations?

Answer: No. The purpose of this program is to provide technical assistance, which means an advisory service which is teaching or training to socially disadvantaged groups in rural areas.

2. I would like clarification on the conflict of interest. I am understanding no cooperative board members can be paid with funds.

Answer: The co-ops themselves or their board members cannot receive funds to benefit them financially. The applicant cooperative must use the SDGG grant funds to pay contractors to provide technical assistance. Examples of conflicts of interest include using grant funds to pay a member of the applicant's board of directors to provide proposed technical assistance to socially disadvantaged groups, paying a cooperative member to provide proposed technical assistance to other members of the same cooperative, and paying an immediate family member of the applicant to provide proposed technical assistance to socially-disadvantaged groups.

3. I would like to be considered for a Socially Disadvantaged Groups Grant. I have exhausted all funding to complete my project which will assess the relationship of staff resistance to IT changes and allow managers to develop strategies to reduce resistance and also provide innovative training methods.

Answer: Individuals are not eligible applicants for the SDGG program. In addition, the grant proceeds may not financially benefit the applicant.

4. Our sister tribe is a rural underserved tribal nation that could benefit from this grant opportunity. However, they are NOT a cooperative or cooperative center. Are they eligible?- Or can you be a standalone tribal organization in need?

Answer: Eligible Applicants can be Individual Cooperatives, Groups of Cooperatives or Cooperative development centers- which is not the case as stated below so the answer to the questions below is NO they are not eligible.

- **To be eligible do you need to be a cooperative or cooperative center?**

Answer: Tribal entities must satisfy the requirements as Individual Cooperatives, Groups of Cooperatives or Cooperative development centers to be eligible

- **Or can you be a standalone tribal organization in need?**

Answer: Standalone Tribes must be a legal corporation in the state meeting all the requirements in 1 bullet

Please refer to Section C.1 of the Notice that advises tribes to use a separate entity to apply for SDGG if they are unable to meet the definitions for eligible applicant types.

5. It is our understanding that the RCDG allows the applicant to pay their membership to Coop Works with grant funds. Is a SDGG applicant allowed to consider membership fees in the budget? The SDGG applicant wishes to avail themselves of training opportunities offered by the membership organization which would appear to fit “the proper and efficient performance of the Federal award.”

Answer: Applicant can pay for employee training or professional development as long as they can tie it to the project.

6. I would like to know the definition of cooperative programs. My company is a for profit entity, and we would like to apply for this grant, but we are unsure if we are eligible?

Answer:

- I would like to know the definition of cooperative programs.
 - A business or organization owned by and operated for the benefit of those using its services and where a majority of the board of directors or governing board is comprised of individuals who are members of Socially Disadvantaged Groups. Profits and earnings generated by the cooperative are distributed among the members, also known as user-owners.
 - My company is a for profit entity, and we would like to apply for this grant, but we are unsure if we are eligible?
 - Eligible Applicants are Individual Cooperatives, Groups of Cooperatives and Cooperative Development Centers. The funds are strictly provided for cooperative development assistance (technical assistance) to Socially Disadvantaged Groups to provide Technical Assistance to Socially Disadvantaged Groups in rural areas.
7. Upgrade Minorities for Integrated Development (UMID) is a registered NGO in Karachi Pakistan. So, can we apply for RBCS-SDGG-2020 Socially Disadvantaged Groups Grant Department of Agriculture Business and Cooperative Programs?

Answer: Thank you for your interest in the SDGG program. Eligible Applicants must be a cooperative, a group of cooperatives, or a business development center providing services in rural America and using SDGG grant funds for cooperative development.

Please note: The grant funds must be used to serve locations in the United States or its territories, and the majority of the members of the cooperative must be citizens of the United States or Green Card holders.

8. I was searching to find out what the term Cooperative means in the perspective of USDA? What organization would qualify as a cooperative for the SDGG grant?

Answer: A cooperative is a business or organization that is owned and operated for the benefit of its members, with returns of residual earnings paid to such members on the basis of patronage. Eligible cooperatives for the SDGG program are those where a majority of the board of directors or governing board is comprised of individuals who are members of socially disadvantaged groups. Socially disadvantaged groups are defined as: A group whose members have been subject to racial, ethnic, or gender prejudices because of their identity as members of the group without regard to their individual qualities. Socially disadvantaged groups consist of women, African Americans, Native Americans, Alaskan Natives, Hispanics, Asians and Pacific Islanders.

9. My hopes are to develop a company that will promote the world of engineering to people who are in socially disadvantaged groups, such as women of the welfare to work programs, young people of these groups, and veterans. I need startup funds to facilitate my company.

Answer: Since the business is not a cooperative or a business development entity, they would not be an eligible applicant for the SDGG program or as a recipient of SDGG funds from an awardee.

10. Is being disadvantaged due to impacts of the criminal justice system a legitimate disadvantage for this program?

Answer: The SDGG program states that a Socially Disadvantaged group is one whose members are subject to racial, ethnic or gender prejudice because of their identity as members of the group without regard to their individual qualities. Being disadvantaged due to being incarcerated or impoverished is not based on racial, ethnic or gender prejudice.

11. Few Questions

- 1) Federal Notice- SDGG (very bottom of page) states that “Other Eligibility Requirements. Use of funds” must benefit Socially-Disadvantaged Groups and the recipients of the TA must have a majority of member from Socially-Disadvantaged Groups.

Answer: Socially Disadvantaged Group definition: A group whose members have been subjected to **racial, ethnic, or gender prejudice** because of their identity as members of a group without regard to their individual qualities. The requirement is that the majority

members of the applicant's board of directors must be comprised of socially disadvantaged individuals, and the technical assistance is provided to businesses or entities, or potential business entities, whose membership or ownership is also comprised of a socially disadvantaged majority. The awarding of a grant to a socially disadvantaged group, whether a cooperative or cooperative development center, is considered a benefit to that applicant group as the grant can be used for expenses related to them providing technical assistance. The grant's primary purpose is to provide technical assistance for the development or support of cooperatives, a sustainable business model where groups with similar interests and products can provide economic and leadership benefits to each other. The SDGG definition of **Technical Assistance** is: An advisory service performed for the purpose of assisting Cooperatives or groups that want to form Cooperatives such as market research, product and/or service improvement, legal advice and assistance, feasibility study, business planning, marketing plan development, and training.

- 2) Federal Notice- SDGG (middle column) Eligible Applicants states grants may be made to individual cooperatives, group of cooperative and cooperative development Centers. We are not sure who this is? Please provide an example. We are a non-profit that provides USDA TA across the United States for farmworkers.

Answer: Cooperative Definition: A business or organization owned by and operated for the benefit of those using its services and where a majority of the board of directors or governing board is comprised of individuals who are members of Socially Disadvantaged Groups. Profits and earnings generated by the cooperative are distributed among the members, also known as user-owners. **Cooperative Development Center Definition:** A nonprofit corporation or institution of higher education operated by the grantee for cooperative or business development and where a majority of the board of directors or governing board is comprised of individuals who are members of Socially Disadvantaged Groups. In your situation as a technical assistance provider, if the majority of your board of directors is comprised of socially disadvantaged individuals, you would be an eligible SDGG applicant. The use of SDGG grant funds would be limited to providing technical assistance for socially disadvantaged entities.

- 3) Federal Notice- SDGG - definition of Cooperative – a business or organization owned by and operated for the benefit of those using its services where the majority of the board is comprised of individual who are socially disadvantaged. This is the applicant or the recipient of TA?

Answer: Both the applicant and those receiving technical assistance must have a socially disadvantaged majority on their governing board or ownership.

- 4) Federal Notice- SDGG middle column states the use of funds must provide a brief discussion on how the proposed project activities and identify the socially-disadvantaged groups that will be assisted.

Answer: Each applicant is expected to have an identifiable group(s) or area of focus where technical assistance is needed to improve the economic condition of our rural communities. This is a competitive grant program where our scoring criteria determines the recipients of these grants. Please review the Scoring Criteria that starts in the third column on Page 38116. As you currently provide technical assistance across the country, you know the importance of such activity. The SDGG grant provides funds to current socially disadvantaged cooperatives or economic development groups to provide technical assistance that will enhance the socially disadvantage population in the operation or development of a cooperative.