

TO: State Directors, Rural Development

ATTN: Business Programs Directors

SUBJECT: Specialty Programs Division and Cooperative Programs
Institutions of Higher Education Eligibility
Rural Business Enterprise Grant and Rural Business Opportunity Grant Programs

PURPOSE/INTENDED OUTCOME:

The purpose of this Administrative Notice (AN) is to provide clarification regarding the eligibility of institutions of higher education for the Rural Business Enterprise Grant (RBEG) and the Rural Business Opportunity Grant (RBOG) programs.

COMPARISON WITH PREVIOUS AN:

This AN updates and replaces RD AN No. 4604 (1942-G and 4284-G) dated October 21, 2011, which will expire on October 31, 2012.

IMPLEMENTATION RESPONSIBILITIES:

Rural Business Enterprise Grant Program--The language under the RBEG program regulation, located at 7 CFR part 1942 subpart G, § 1942.305(a), allows for RBEGs to be made to public bodies and private nonprofit corporations servicing rural areas. It is the Agency's interpretation that eligible applicants under the RBEG program regulations include institutions of higher education. Accordingly, all public and private nonprofit institutions of higher education will continue to be considered eligible applicants.

EXPIRATION DATE:
September 30, 2013

FILING INSTRUCTIONS:
Preceding RD Instruction 1942-G and 4284-G

Rural Business Opportunity Grant Program--The language under the RBOG program regulation, located at 7 CFR part 4284 subpart G, § 4284.620(a) allows for RBOGs to be made to public bodies, nonprofit corporations, Indian tribes on Federal or State Reservations and other federally recognized tribal groups, and cooperatives with members that are primarily rural residents and that conduct activities for the mutual benefit of the members. It is the Agency's interpretation that eligible applicants under the RBOG program regulations include institutions of higher education. Accordingly, all public and private nonprofit institutions of higher education will be considered eligible applicants as of fiscal year 2012.

If you have additional questions, please contact the Specialty Programs Division at 202-720-1400 or Cooperative Programs at 202-720-7558.

(Signed by Lillian Salerno)

Lillian Salerno
Acting Administrator
Rural Business-Cooperative Service