



United States
Department of
Agriculture

Rural
Development

WASHINGTON AN 939 (1942-G)

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February 12, 2004

SUBJECT: Rural Business Enterprise Grant (RBEG)
Program Administration – Fiscal Year 2004

TO: Program Directors, Area Directors
USDA, Rural Development, Washington
ATTN: Area Specialists

PURPOSE/INTENDED OUTCOME:

The purpose of this Washington Administration Notice (AN) is to provide guidance and to standardize the pre-application and application filing process in order to maximize the use of Rural Business Enterprise Grant (RBEG) funds allocated to Washington and to maintain quality control during the application process.

COMPARISON WITH PREVIOUS AN:

This Washington AN replaces Washington AN No. 894 (1942-G) which expired September 30, 2003.

IMPLEMENTATION RESPONSIBILITIES:

RD Instruction 1942-G, §1942.303 authorizes the State Director to issue State supplements to implement the authorities contained in the basic instruction. The following procedures will be followed in implementing the RBEG Program for FY 2004.

1. Pre-applications will be accepted for FY 2004 funding in the USDA, Rural Development Area Offices **through close of business (4:30 p.m.) on April 2, 2004**. Refer to RD Instruction 1942-G, §1942.311 and RD Instruction 1942-G, Attachment 1, Section A for application processing guidance. The processing checklist attached (Guide 1) will provide further assistance. A notification of funding availability will be sent out to each newspaper in the state to publicize this opportunity. We expect the process to be very competitive this year for a small amount of funding. Staff should encourage applicants to document their requests well as to how their proposal will support small and emerging businesses in rural areas.
2. Upon receipt of a preapplication, the Area Office evaluate the project in accordance with RD Instruction 1942-G, §1942.305(b)(3) and Attachment 1, Section A, II, A & B. The Area Office will update GLS/RDAPTS and keep the system current through the application and approval process.

EXPIRATION DATE:
September 30, 2004

FILING INSTRUCTIONS
Preceding RD Instruction 1942-G

USDA, Rural Development is an Equal Opportunity Lender, Provider, and Employer
Complaints of discrimination should be sent to:
USDA, Director, Office of Civil Rights, Washington D.C. 20250-9410

The Area Office will also complete the environmental assessment. A Class II Environmental Assessment will require that the preliminary postings be completed as well as the initial contacts to other Agencies. Responses do not have to be received in this stage. As applicable, the requirements of RD Instruction 1940-J must also be met during this time. The preapplication will then be submitted to the State Office, **no later than May 14, 2004**.

3. The State Office will consider all proposals submitted to the State Office by the cut off date for Round 1. We do not anticipate having a second round of selections later in the year due to the expected low level of RBEG funds. Applications will be reviewed and ranked by the State Review Board. State Director discretionary points will be assigned to projects supporting cooperative development and technical assistance, to projects directly affecting women, small farmer, and minority business development, to projects in the Enterprise Communities and Champion Communities, to projects in areas eligible for assistance under the Community Adjustment and Investment Program (CAIP), to projects in Native American communities, and to projects located in designated underserved areas of Washington State. Projects sufficient to use 150% of the State Allocation will be authorized to submit a complete application. Files will be returned to the originating Area Office after the issuance of Form AD-622 for further processing. Projects not selected will be advised of this determination.
4. The Area Office will ensure that complete dockets are returned to the State Office for approval **no later than June 18, 2004**. The complete application will contain evidence/ documentation of all items noted on the attached processing checklist through Step IV. The file should also include a draft Letter of Conditions (LOC) saved on disk.
5. The State Office will review the applications and the Letter of Conditions will be signed by the Program Director or State RBS Specialist who has been designated to do so pursuant to RD Instruction 1942-G, §1942.315(b). The Area Office may then deliver the Letter of Conditions to the applicant along with Form RD 1940-1 "Request for Obligation of Funds" for signature. Once Form RD 1940-1 "Request for Obligation of Funds" and Form RD 1942-46 "Letter of Intent to Meet Conditions" has been completed and returned to the State Office, the forms will be submitted to the State Director for approval. The State Office will handle obligation of funds and the LAPAS notification.
6. A National Office pooling of funds is anticipated in the fourth quarter of the fiscal year. When the State's allocation has been exhausted, remaining projects will be submitted to the National Office for possible funding after pooling of funds. The State Office will also look to funding set-asides as additional sources of funding when applicable. Projects ultimately not selected will be notified by the State Office no later than September 30, 2004.
7. All FY 2003 RBEG applicants not selected for funding were advised by the State Office prior to the end of FY 2003 that they would need to submit a new application for consideration of FY 2004 funds.

If you have any questions, please contact Chris Cassidy, RBS Program Director at (509) 454-5743, ext. 5 or Clinton A. Kaasa, State RBS Specialist at (360) 704-7762.

/s/
JACKIE J. GLEASON
State Director

Attachment