

# **FAQ for RFSI Simplified Equipment-Only Grants**

## **How long is the application open?**

The application window for The Resilient Food Systems Simplified Equipment Program will be open from April 1, 2024, to May 15, 2024. No extensions will be granted.

## **Do Simplified Equipment-Only Grants require matching funds?**

No. Simplified Equipment-Only Grants are “Fixed Price” grants, meaning they will fund only equipment purchases (and not associated facility upgrades, staffing, or other costs). No match is required for this grant type.

## **What are the award amounts?**

The minimum award amount for the Simplified Equipment-Only Project grants is \$10,000 and the maximum award amount is \$100,000. Approximately \$4.8 million will be available for the Simplified Equipment-Only option.

## **What projects qualify for the Simplified Equipment-Only Grant?**

- Modernize processing and manufacturing equipment;
- Develop, customize, or install equipment that reduces greenhouse gas emissions, increases efficiency in water use, improves air and/or water quality, and/or meets one or more of USDA’s climate action goals;
- Enhance worker safety through adoption of new technologies or investment in equipment improvements; and
- Improve the capacity of entities to comply with federal, state, and local food safety requirements.

## **What projects DO NOT qualify for the Simplified Equipment-Only Grant?**

- Facility upgrades
- Staffing
- Software/POS Systems

**Can applicants purchase used or refurbished equipment?**

Yes, however the equipment must be new to the applicant and in good working condition.

**Can applicants use the grant for installation and shipping?**

Minimal installation and delivery fees that are included within the equipment total from the vendor/manufacture can be allowable if it is included within the quote/invoice from the vendor/manufacture. However, please note, hiring a contractor that will buy the equipment and do the installation and any of the modifications (i.e. electrical) would not be allowable under the Equipment Only Grants.

**Is there a minimum requirement for the Simplified Equipment-Only Grant?**

Yes, there is a \$10,000 minimum. You can purchase multiple pieces of equipment as long as it remains under \$100,000/ meets the \$10,000 minimum in total, the purchases are made at the same time, and they support middle of the supply chain efforts. All pieces of equipment must fit under one project.

If your equipment purchases are greater than \$100,000, you must be able to prove you are able to pay the overage.

**What documentation is required for the “Equipment Cost Documentation”?**

Equipment Cost Documentation Simplified Equipment-Only Grant applicants must submit documentation to substantiate the costs of each piece of equipment listed on their application. Documentation can include contracts, catalog pricing, or binding quotes provided by licensed commercial entities. The cost of delivery and installation can be covered by the grant if they are listed in the official bid. When soliciting bids, please make sure they will be honored at the time of the grant award which will be around July 1, 2024, or when purchased later. Equipment must be within the USDA’s definition of special-purpose equipment for processing, aggregation, and distribution.

## **When will award payments be distributed?**

Award Payment Both the Infrastructure Grants and Simplified Equipment-Only Grants are reimbursement grants. This means that grant recipients will submit an invoice to PDA no more than once a month but no less than once a quarter for reimbursement of project expenses. Payments will not be issued in advance.

The application window for The Resilient Food Systems Simplified Equipment Program will be open from April 1, 2024, to May 15, 2024, to give applicants a sufficient amount of time to develop their projects.

## **Who is considered an eligible entity?**

- Agricultural producers or processors or groups of agricultural producers/processors;
- For-profit entities operating middle-of-the-supply chain activities such as processing, aggregation, or distribution of targeted agricultural products whose activities are primarily focused for the benefit of local and regional producers, and that the eligibility requirements of the SBA small business size standards.\*
- Nonprofit organizations operating middle-of-the-supply-chain activities such as processing, aggregation, distribution of targeted agricultural products;
- Local government entities operating middle-of-the-supply-chain activities such as processing, aggregation, distribution of targeted agricultural products;
- Tribal government entities operating middle-of-the-supply-chain activities such as processing, aggregation, distribution of targeted agricultural products;
- Institutions such as schools, universities, hospitals bringing producers together to establish cooperative or shared infrastructure or invest in equipment that will benefit multiple producers middle-of-the-supply-chain activities such as processing, aggregation, distribution of targeted agricultural products.

*\*For-profit entities must meet the eligibility requirements of the SBA small business size standards matched to industries described in the North American Industry Classification Systems (NAICS). For more information on these size standards, please visit [SBA's Size Standards webpage](#).*