Business Builder Farm and Food Grant
Frequently Asked Questions

Below is a list of frequently asked questions for the Business Builder Farm and Food Grant. This FAQ will be updated regularly as new common questions emerge. If you do not see your question here, please reach out to the Center via our Contact Us Form: https://rgcolonias.org/contact-us/

How much money will be awarded per grant?

- **Grants will range between $1,000 and 100,000.**
  Eligible farmers, ranchers, and food businesses can apply for and receive funding from more than one Rio Grande Colonias USDA Regional Food Business Center grant program (either the Business Builder Farm and Food or Frontera Farm and Food Business Grant) or multiple cycles of the same program, provided the total amount of funding received does not exceed $100,000.

  Eligible clients may also receive funding from other USDA Regional Food Business Centers and the National Intertribal Food Business Center, provided the total funding received from any one center or combination of centers does not exceed $100,000.

Am I eligible?

- The Business Builder Farm and Food grants are designed for for-profit or non-profit small to medium-sized farm and food businesses. These businesses must be value-added producers, or food system-related enterprises. Businesses must be registered in Texas or New Mexico, excluding 53 counties in East Texas served by the Delta Regional Food Business Center. Some eligible businesses include:

  - Non-Profit/Community-based Organizations

  - For-Profit Businesses

  - Value Added Producers

  - Fleet/Food Distribution Businesses

  - Food Hubs

  - Commercial/Shared Kitchen and food manufacturing sites

  - Co-Packing facilities

  - Food Storage Facilities (Cold and Grain)

What are the 53 counties NOT served by this grant?

- Anderson, Angelina, Austin, Bastrop, Bell, Brazoria, Brazos, Burleson, Caldwell, Chambers, Cherokee, Colorado, Falls, Fayette, Fort Bend, Freestone, Galveston, Gonzales, Grimes, Hardin, Harris, Hill, Houston, Jasper, Jefferson, Lavaca, Lee, Leon, Liberty, Limestone, Madison, Matagorda, McLennan, Milam, Montgomery, Nacogdoches, Navarro, Newton, Orange, Polk, Robertson, Sabine, San Augustine, San Jacinto, Shelby, Travis, Trinity, Tyler, Walker, Waller, Washington, Wharton, Williamson.

What type of projects are eligible for this grant?

Eligible projects are those related to Infrastructure Modernization, Product Development, and Food Safety. Categories may include the establishment of new/enhanced distribution routes, marketing & branding, process innovation & development, and value-added product development. For more information on this, please contact us **HERE**.

What can I pay for with this grant?

- Working capital for post-harvest activities
- Staff time/labor costs
  - This should be reflective of post-production or business retention and expansion-related activities, such as value-added product development and distribution, program implementation, marketing/branding, and business development
- Software implementation
- Marketing
- Trainings
- Purchase of special purpose equipment *(Refer to Equipment Policy)*
  - This must be related to post harvest activities, such as food safety, processing, and/or packaging equipment
- Value chain, supply chain coordination and innovation
- Business planning
- Product development
- Business expansion
- Maintenance
- Please check section 8.2 of the USDA Agricultural Marketing Services Terms and Conditions for a more detailed overview of these costs/activities.

What CAN'T I pay for with this grant?

Some unallowable costs or activities generally not funded by the Rio Grande Colonias USDA Regional Food Business Center

- Farm, gardening, and production activities and supplies; including, but not limited to soil, seeds, shovels, gardening tools, greenhouses, and hoop houses.

- Construction

- Land or property acquisition

- Pay off existing debt

- Fines, penalties, damages, and other settlements

- Goods or services for personal use

- Lobbying or any political activity

- Alcoholic beverages

- Contributions or donations

- Fundraising and investment management costs

- Electronic Benefit Transfer (EBT) Machines

- Please check section 8.2 of the USDA Agricultural Marketing Services Terms and Conditions for a more detailed overview of these costs/activities.

What is Technical Assistance? Is this an eligibility requirement for the Business Builder Farm and Food grant?

- In simple terms, **technical assistance** (TA) in the USDA Regional Food Business Center Program means **helping food businesses gain the knowledge they need to grow and succeed**. The RGC-RFBC is providing opportunities for farmers, ranchers, and food businesses to learn things like:

    o How to write a business plan

    o How to apply for grants or loans

    o How to follow food safety rules

    o How to market their products and find new customers

    o How to set prices and manage money

- The goal is to give businesses **the tools, skills, and advice** that will help them **be more successful**.
- We encourage all applicants to take advantage of the TA offerings at the RGC-RFBC center, but it is NOT an eligibility requirement for the Business Builder Farm and Food grant.

What is required of me?

- **Legal entity and UEI:** To receive a Business Builder Farm and Food grant, a business must be a legal entity and have a Unique Entity Identification number or UEI, issued by the U.S. government.

  If you do not have a UEI number, you can apply for one on the SAM.gov website, which is managed by the General Services Administration of the United States government. There is no charge to use this site or to obtain a UEI number. **Quick Guide for Getting a UEI.** Also watch this **VIDEO.**
  You may submit a grant application before you receive your UEI. If you are selected for a grant, you will not be able to sign your grant agreement or receive grant funds until you provide your UEI.

- **Employee Identification Number:** You will also need to provide an Employer Identification Number (EIN; or Social Security Number if your business does not have an EIN) to receive grant funds.

- **NAICS code:** You will also need a North American Industry Classification System (NAICS) Code for this grant award. Click on this link for help with identifying your NAICS code.

- **Plan for your ward disbursement type:** Please note this grant award is primarily reimbursable. A reimbursable grant is a funding mechanism where you initially cover project expenses yourself and then submit documentation to the RFBC for reimbursement. Unlike upfront funding, these grants require you to spend according to an approved budget or project plan before receiving funds. Key aspects of a reimbursable grant include:

    o Pre-approved Budget: Adherence to the RGC-RFBC-approved budget is mandatory.

    o Documentation Required: After incurring expenses, you must provide evidence—such as a cover letter, disbursement schedules, receipts or invoices—to the RGC-RFBC to receive reimbursement.

    o Conditional Funding: Expenses that don't align with the approved budget or grant terms may not be reimbursed.

    o Timing: The RGC-RFBC aims to process payments promptly, but it may take 7-10 days for funds disbursement to be completed.

    o If your business meets certain criteria, you may qualify for **upfront funding**. Direct to vendor payments are available for specific costs like the purchase of special equipment above $5,000.00. Receipts for all purchases via upfront funding must be provided no later than 90 days after funding. Please reach out to a center's staff **HERE** for more information.

- **Reporting**: Grantees will be required to report progress and outcomes as detailed in your grant agreements.

What is a reimbursable grant? What does that mean?

- A reimbursable grant is a funding mechanism where you initially cover project expenses yourself and then submit documentation to the RFBC for reimbursement. Unlike upfront funding, these grants require you to spend according to an approved budget or project plan before receiving funds.

What is the selection process like?

Grant applications will be evaluated by an impartial panel of reviewers who will score applications based on five major criteria that align with the program's priorities and a project's achievability and viability. Three of the criteria prioritize businesses that improve the local and regional economy and food supply chain as well as the welfare of their unique communities. The other two criteria evaluate the significance and feasibility of a business proposal as well as the expertise and resources available to execute it.

All applications selected by the RCG Regional Food Business Center for funding must then be approved by USDA-AMS. At that point, we will notify successful applicants and begin the grant set-up process.

Applications will be reviewed on a rolling basis for eligibility. Submitted applications will not be considered unless complete. A completed application includes all required documentation to be uploaded. Please note that incorrect and incomplete information or documents will not be accepted, and the timestamp will be set for the date all correct and accurate documents are submitted.

When will successful applicants be notified?

- The outcome of your application will be communicated by **Friday, June 27, 2025**
- Applications due: May 02, 2025
- Selections announced: End of June 2025
- Project period: 18-24 months

What is the application process?

- Completing your application is a **multi-step** process. You must complete an **Intent to Apply** by midnight (Mountain Time) **April 3, 2025**. Then proposals applications are due at midnight (Mountain Time) on **May 02, 2025**.

- Step 1: **Register an Intent to Apply**
  - Please complete an intake form for this step. **Click HERE to start your application for the grant.** You will be unable to complete this step after **April 3, 2025.**

- Step 2: **Verification of Intake Form**

- o We will complete the verification of your intake form within **3 business days**. After successful verification of the intake form, you will receive a link. Please use the link throughout the proposal application process.

- Step 3: **Proposal Application and Submission**
  - o Use the unique link sent to you after verification of your intake form to start and complete your proposal for the grant. This link you give you access to your client dashboard.