

Rural Microentrepreneur Assistance Program (RMAP)

CFDA 10.870

Who is the applicant for RMAP funds?

The applicant is a Microenterprise Development Organization (**MDO**).

- An organization that is a non-profit entity;
- an Indian tribe (the government of which tribe certifies that no MDO serves the tribe and no RMAP exists under the jurisdiction of the Indian tribe);
- or a public institution of higher education;

and that, for the benefit of rural microentrepreneurs and microenterprises:

1. Provides training and technical assistance and/or;
2. Makes microloans or facilitates access to capital or another related service; and/or
3. Has a demonstrated record of delivering, or an effective plan to develop a program to deliver, such services.

Microborrower
A microentrepreneur or microenterprise that has received financial assistance from a microlender under this program in an amount of \$50,000 or less.

Microentrepreneur
An owner and operator, or prospective owner and operator, of a microenterprise who is unable to obtain sufficient training, technical assistance, or credit other than under this section, as determined by the Secretary. All microentrepreneurs assisted under this regulation must be located in rural areas.

Microenterprise
Microenterprise means:
1) A sole proprietorship located in a rural area; or
2) A business entity, located in a rural area, with not more than 10 full-time-equivalent employees. Rural microenterprises are businesses employing 10 people or fewer that are in need of \$50,000 or less in business capital and/or in need of business based technical assistance and training. Such businesses may include any type of legal business that meets local standards of decency. Business types may also include agricultural producers provided they meet the stipulations in this definition.
3) All microenterprises assisted under this regulation must be located in rural areas.

Microlender
An MDO that has been approved by the Agency for participation under this subpart to make microloans and provide an integrated program of training and technical assistance to its microborrowers and prospective microborrowers.

Rural or Rural Area
For the purposes of this program, the terms "rural" and "rural area" are synonymous and are defined as any area of a State **not** in a city or town that has a population of more than 50,000 inhabitants, according to the latest applicable decennial census for the State; and the contiguous and adjacent urbanized area. For purposes of this definition, cities and towns are incorporated population centers with definite boundaries, local self-government, and legal powers set forth in a charter granted by the state.

Rural Microloan Revolving Fund (RMRF)
An exclusive interest-bearing account on which the Agency will hold a first lien and from which microloans will be made; into which payments from microborrowers and reimbursements from the LLRF will be deposited; and from which payments will be made by the microlender to the Agency.

Microloan
A business loan of not more than \$50,000 with a fixed interest rate and a term not to exceed 10 years.

Loan Loss Reserve Fund (LLRF)
An interest bearing deposit account that each microlender must establish and maintain in an amount equal to not less than 5% of the total amount owed by the microlender under this program to the Agency to pay any shortage in the RMRF caused by delinquencies or losses on microloans.

The Agency will make **direct loans** to microlenders for the purpose of providing fixed interest rate microloans to rural microentrepreneurs for startup and growing microenterprises. Eligible microlenders will also be **automatically eligible** to receive microlender technical assistance **grants (TA)** to provide technical assistance and training to microentrepreneurs that have received or are seeking a microloan under this program.

To allow for extended opportunities for technical assistance and training, the Agency will make **technical assistance only grants** to MDOs that have sources of funding other than program funds for making or facilitating microloans.

\$10.7 million available for loans to establish Rural Microloan Revolving Loan Funds					
\$ 300,000 available for microlender technical assistance only grants					
An MDO with more than 3 years experience	An MDO with more than 3 years experience	An MDO with 3 years or less experience	An MDO with 3 years or less experience	An MDO	Reapplication for existing MDO after 5 yr. participation
Requesting RMRF funds and TA grant	Requesting RMRF funds only	Requesting RMRF funds and TA grant	Requesting RMRF funds only	Requesting TA grant funding only	
Use checklist pages 2,3,4,5	Use checklist pages 2,3,4,5	Use checklist pages 2,3,6	Use checklist pages 2,3,6	Use checklist pages 2,3,7	Use checklist pages 2,3,8

Checklist of documents
for Rural Microentrepreneur Assistance Program (RMAP) applications
based on proposed interim final rules
published in the Federal Register 5-28-10
Federal Catalog # **10.870**

Required for all applications to determine eligibility

	SF 424 Application for Federal Assistance http://www.grants.gov/techlib/SF424-V2.0.pdf	SF-424
	DUNS #: <i>Can be obtained at no cost via a toll free request line at 1-866-705-5711</i>	
	SF 424a Budget information – non-construction programs http://www.grants.gov/techlib/SF424A-V1.0.pdf	SF 424a
	SF 424b Assurances – non-construction programs http://www.grants.gov/techlib/SF424B.PDF	SF 424b
	SF LLL Disclosure of Lobbying Activities <i>(if applying for more than \$150,000 in loan funds and/or more than \$100,000 in grant funds.</i> http://www.whitehouse.gov/omb/grants/sflllin.pdf	SF LLL
	AD-1047 , Certification Regarding Debarment http://www.ocio.usda.gov/forms/doc/AD1047-F-01-92.PDF	AD 1047
	1910-11 Certification of No Federal Debt <i>(for entities applying for loan funds to become an RMAP microlender only)</i> http://rdinit.usda.gov/regs/forms/1910-11.pdf	1910-11
	Documentation which enables the Agency to complete 400-8 “Compliance Review” http://forms.sc.egov.usda.gov/efcommon/eFileServices/eForms/RD400-8.PDF	400-8
	Demonstration that the applicant is eligible to apply to participate in this program. To demonstrate eligibility, applicants must submit documentation that the applicant is an MDO as defined in 4280.302, as follows:	
	If a nonprofit entity , evidence that the applicant organization meets the citizenship requirements (at least 51% of persons who control the MDO must be US citizens)	
	If a nonprofit entity , a copy of the applicant’s bylaws and articles of incorporation, which include evidence that the applicant is legally considered a non-profit organization ;	
	If an Indian tribe , evidence that the applicant is a Federally-recognized Indian tribe, and that the tribe neither operates nor is served by an existing MDO.	
	If a public institution of higher education , evidence that the applicant is a public institution of higher education, and	
	For nonprofit applicants only , a Certificate of Good Standing, not more than 6 months old, from the Office of the Secretary of State in the State in which the applicant is located. If the applicant has offices in more than one state, then the state in which the applicant is organized and licensed will be considered the loan location.	
	Certification by the applicant that it cannot obtain sufficient credit elsewhere to fund the activities called for under this program with similar rates and terms.	
	RD 400-4 , Assurance Agreement http://forms.sc.egov.usda.gov/efcommon/eFileServices/eForms/RD400-8.PDF	400-4
	AD-1049 , Certification Regarding Drug Free Workplace http://www.ocio.usda.gov/forms/doc/AD1049-F-05-90.pdf	AD 1049

All applicants seeking status as a microlender must identify in their application which cost share option(s) the

applicant will utilize, as described in 4280.311(d), to meet the Federal cost share requirement.

The Federal share of the eligible project cost of a microborrower's project funded under this section shall not exceed 75%. The cost share requirement shall be met by the microlender using either of the options identified in item (1) or (2) of this section in establishing an RMRF. A microlender may establish multiple RMRFs utilizing either option. Whichever option is selected for an RMRF, it must apply to the entire RMRF and all microloans made with funds from that RMRF.

(1) **Microborrower project level option.** The loan covenants between the Agency and the microlender and the microlender's lending policies and procedures shall **limit the microlender's loan to the microborrower to no more than 75%** of the eligible project cost of the microborrower's project and require that the microborrower obtain the remaining 25% of the eligible project cost from **non-Federal sources**. The non-federal share of the eligible project cost of the microborrower's project may be provided in cash (including through fees, grants (including community development block grants), and gifts or in the form of in-kind contributions.

(2) **RMRF level option.** The microlender shall capitalize the RMRF at no more than 75% Agency loan funds and not less than 25% non-Federal funds, thereby allowing the microlender to **finance 100% of the microborrower's eligible project costs**. All contributed funds shall be maintained in the RMRF. The applicant shall identify the amount(s) and source (s) of the non-Federal share.

Application specific information		4280.316 (a) The maximum points available in this part of the application are 45
Everything on the previous page indicates eligibility. Only those applicants deemed eligible will be scored for qualification. Qualification information provides the complete forms and information necessary to determine a baseline of capacity. Additional information is specified depending on the level of experience or type of funding being applied for.		
4280.316 (a) All applications must provide the following information:		
	(1) An organizational chart <ul style="list-style-type: none"> • clearly showing the positions and naming the individuals in those positions • Of particular interest to the Agency are management positions and those positions essential to the operation of microlending and TA programming. 	Up to 5 points
	(2) Resumes <ul style="list-style-type: none"> • for each of the individuals shown on the organizational chart and indicated as key to the operation of the activities to be funded under this program. • There should be a corresponding resume for each of the key individuals noted and names on the organizational chart which shows their ability to administer the program. • Points will be awarded based on the quality of the resumes and on the ability (based on resumes) of the key personnel to administer the program. 	Up to 5 points
	(3) A succession plan to be followed in the event of the departure of personnel key to the operation of the applicant's RMAP activities.	Up to 5 points
	(4) Information indicating an understanding of microenterprise development concepts . Provide those parts of your policy and procedures manual that deal with the provision of loans, management of loan funds, and provision of technical assistance.	Up to 5 points
	(5) Copies of the applicant's most recent, and two years previous, financial statements . Points will be awarded based on: <ul style="list-style-type: none"> • the demonstrated ability of the applicant to maintain or grow its bottom line fund balance, • its ability to manage one or more federal programs, and • its capacity to manage multiple funding sources, restricted and non-restricted funding sources, income, earnings, and expenditures. 	Up to 10 points
	(6) A copy of the applicant's organizational mission statement . The mission statement will be rated based on its relative connectivity to microenterprise development and general economic development. The mission statement may or may not be a part of a larger statement. <u>For example:</u> If the mission statement is included in the bylaws or other organizational documents, please so note, direct the reviewer to the proper document, and <u>do not</u> submit these documents twice.	Up to 5 points
	(7) Information regarding the geographic service area to be served . <ul style="list-style-type: none"> • Describe the service area, which must be rural as defined. 	Up to 10 points

	<ul style="list-style-type: none"> State the number of counties or other jurisdictions to be served. Describe the demographics of the service area and whether or not the population is a diverse population. Note that the applicant will not be scored on the size of the service area, but on its ability to fully cover the service area as described. 	
		Total of 45 points possible

If applicable - These items should be completed if the applicant status is as a

- 1) A microlender with **more than 3 years of experience** as an MDO seeking to participate as a microlender that meets criteria at 4280.316 (b). The applicant is applying for:
a **loan** to capitalize a rural microloan revolving loan fund (RMRF) **and** a microlending **TA grant**. **OR**
1A) A microlender as per 1) above, but **only** requesting a **loan** to capitalize a rural microloan revolving loan fund (RMRF).
No grant is requested.

4280.316 (b) Program loan application requirements for MDO's seeking to participate as RMAP microlenders with more than 3 years experience .	4280.316 (b) Total possible points are 55
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(1) History of provision of microloans. The applicant must provide data regarding its history of making microloans for the 3 years previous to this application by answering the questions in paragraphs (b) (1) (i) through (vi) of this sections. This information should be provided clearly and concisely in numerical format as the data will be used to calculate points as noted. Figure 1 presents an example of the format and data required. The maximum number of points under this criterion is 20.

Figure 1 Data item	Federal Fiscal Year			
	Last Fiscal Year	Year Before Last Fiscal Year	2 nd year before last fiscal year	Total
Total # of Microloans Made -----	_____	_____	_____	_____
Total \$ Amount of Microloans Made -----	_____	_____	_____	_____
# of Microloans Made in Rural Areas -----	_____	_____	_____	_____
Total \$ Amount of Microloans Made in Rural Areas -----	_____	_____	_____	_____
# of Microloans Made to Racial and Ethnic Minorities -----	_____	_____	_____	_____
# of Microloans Made to Women -----	_____	_____	_____	_____
# of Microloans Made to the Disabled -----	_____	_____	_____	_____

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|--|--|--|
| | (i) Number and amount of microloans made during each of the three previous Federal Fiscal years. Do not include current year information. A narrative may be included as a separate attachment, not in the body of the suggested table. | |
| | (ii) Number and amount of microloans made in rural areas in each of the three years prior to the year in which the application is submitted. | |
| | If the history providing microloans in rural areas shows:
(A) <i>More than the three consecutive years immediately prior to this application -----</i>
(B) <i>At least two of the years but not more than the three consecutive years immediately prior to this application -----</i>
(C) <i>At least 6 months, but not more than one year immediately prior to this application --</i> | <i>5 points will be awarded</i>
<i>3 points will be awarded</i>
<i>1 point will be awarded</i> |
| | (iii) Percentage of number of loans made in rural areas. Calculate and enter the total number of microloans made in rural areas as a percentage of the total number of all microloans made for each of the past 3 Federal FYs.
If the percentage of the total number of microloans made in rural areas is:
(A) <i>75% or more -----</i>
(B) <i>At least 50% but less than 75%--</i>
(C) <i>At least 25 but less than 50% ---</i> | <i>5 points will be awarded</i>
<i>3 points will be awarded</i>
<i>1 point will be awarded</i> |
| | (iv) The percentage of dollar amount of loans made in rural areas. Enter the dollar amount of microloans made in rural areas as a percentage of the dollar amount of the total portfolio (rural and non-rural) of microloans made for each of the previous three Federal FYs.
If percentage of the dollar amount of the microloans made in rural areas is:
(A) <i>75% or more of the total amount ----</i>
(B) <i>At least 50% but less than 75%-----</i>
(C) <i>At least 25% but less than 50%-----</i> | <i>5 points will be awarded</i>
<i>3 points will be awarded</i>
<i>1 point will be awarded</i> |
| | (v) Each applicant shall compare the diversity of its entire microloan portfolio to the demographic makeup of its service area (as determined by the latest applicable decennial census for the State) based on the number of microloans made during the three years preceding the subject application. Demographic groups shall include gender, racial and ethnic minority status, and disability (as defined in The Americans with Disabilities Act). Points will be awarded on the basis of how close the MDO's microloan portfolio matches the demographic makeup of its service area.
(A) <i>If at least one loan has been made to each demographic group and if the percentage of loans made to each demographic group is each within 5 or less</i> | |

	percent of the demographic makeup, -----	5 points will be awarded
	(B) If at least one loan has been made in each demographic group and if the percentage of loans made to each demographic groups is each within 10 or less percent of the demographic makeup -----	3 points will be awarded
	(C) If at least one loan has been made to each demographic group and if the % of loans made to one or more of the demographic groups is greater than 10% of the demographic makeup or if no loans have been made to one of the demographic groups and if the % of loans made to each of the other demographic groups is each within 10 or less percent of the demographic makeup -----	1 point will be awarded
	(D) If no loans have been made to two or more demographic groups, -----	No points will be awarded

2. Portfolio management. Each applicant's ability to manage its portfolio will be determined based on the data provided in response to paragraphs (b) (2)(i) and (ii) of this section and scored accordingly. The maximum number of points under this criterion is 10.

	(i) Enter the total number of your microloans paying on time for the 3 previous Federal FY's.	
	If the total number of microloans paying on time at the end of each year over the prior three Federal FY's is:	
	(A) 95% or more -----	5 points will be awarded
	(B) At least 85% but less than 96%	3 points will be awarded
	(C) Less than 85% -----	0 points will be awarded
	(ii) Enter the total number of microloans 30 to 90 days in arrears or that have been written off at year end for the three previous Federal FYs.	
	If the total number of these microloans is:	
	(A) 5% or less of the total portfolio	5 points will be awarded
	(B) More than 5% -----	0 points will be awarded.

3. History of Provision of technical assistance. Each applicant's history of provision of technical assistance to microentrepreneurs and microenterprises, and their ability to reach diverse communities, will be scored based on the data specified in paragraphs (b)(3)(i) through (iv) of this section. Applicants may use a chart such as that suggested in Figure 1 as they deem appropriate. The maximum number of points under this criterion is 15.

	(i) Provide the total number of rural and non-rural microentrepreneurs and microenterprises that received both microloans and TA services for each of the previous three Federal FYs.	
	(ii) Provide the % of the total number of only rural microentrepreneurs and rural microenterprises that received both microloans and TA services for each of the previous three Federal FYs (calculate this as the total number of loans made during the past 3 Federal FYs).	
	If the provision of both microloans and technical assistance to rural microentrepreneurs and rural microenterprises is demonstrated at a rate of:	
	(A) 75% or more -----	5 points will be awarded
	(B) At least 50% but less than 75%	3 points will be awarded
	(C) At least 25% but less than 50%	1 point will be awarded
	(iii) Provide the percentage of the total number of rural microentrepreneurs and rural microenterprises by racial and ethnic minority, disabled, and/or gender that received both microloans and TA services for each of the previous 3 Federal fiscal years.	
	If the demonstrated provision of microloans and technical assistance to these rural microentrepreneurs and rural microenterprises is at a rate of:	
	(A) 75% or more-----	5 points will be awarded
	(B) At least 50% but less than 75%	3 points will be awarded
	(C) At least 25% but less than 50%	1 point will be awarded
	(iv) Provide the ratio of TA clients that also received microloans during each of the previous 3 Federal FY's.	
	If the ratio of clients receiving technical assistance to clients receiving microloans is:	
	(A) Between 1:1 and 1:5	5 points will be awarded
	(B) Between 1:6 and 1:8	3 points will be awarded
	(C) Between 1:9 and 1.10	1 point will be awarded

4. Ability to provide technical assistance. In addition to providing a statistical history of their provision of technical assistance to microentrepreneurs, microenterprises, and microborrowers, applicants must provide a narrative of not more than five pages describing the teaching and training methods used by the applicant organization to provide such technical assistance and discussing the outcomes of their endeavors. Technical assistance is defined in 4280.302. The narrative will be scored as specified in paragraphs (b)(4)(i) through (iv) of this section. The maximum number of points under this criterion is 5.

	(i) Applicants that have used more than one method of training and technical assistance (e.g., classroom training, peer-to-peer discussion groups, individual assistance, distance learning)	Will be awarded 2 points
	(ii) Applicants that provide success stories to demonstrate the effects of technical assistance on their clients	Will be awarded 1 points
	(iii) Applicants that provide evidence that they require evaluations by the clients of their training programs and indicate that the average level of evaluation scores is "good" or higher	Will be awarded 1 points
	(iv) Applicants that present their narrative information clearly and concisely (five pages or less) and at a level expected by trainers and teachers	Will be awarded 1 point

(5) Proposed administrative expenses to be spent from TA grant funds. The maximum number of points under this criterion is 5. If the percentage of grant funds to be used for administrative purposes is:

	(i) Less than 5% of the TA grant funding - - - -	5 points will be awarded
	(ii) Between 5% and 8%, but not including 8%	3 points will be awarded
	(iii) Between 8% up to and including 10% - - - -	0 points will be awarded

If applicable - These items should be completed if the applicant status is as a

2) A microlender with LESS than 3 years of experience as an MDO seeking to participate as a microlender that meets criteria at 4280.316 (c). The applicant is applying for: a loan to capitalize a rural microloan revolving loan fund (RMRF) and a microlending TA grant . Or
2A) A microlender as per 1) above, but only requesting a loan to capitalize a rural microloan revolving loan fund (RMRF). <i>No grant is requested.</i>

4280.316 (c) Program loan application requirements for MDO's seeking to participate as RMAP microlenders with LESS than 3 years experience must submit the information specified in paragraphs (c) (1) through (8) of this section.	4280.316 (c) Total possible points are 55
<p>1. The applicant must provide a narrative work plan that clearly indicates its intention for the use of loan and grant funding.</p> <ul style="list-style-type: none"> • Provide goals and milestones for planned microlending and technical assistance activities. • The applicant must describe how it will incorporate its mission statement, utilize its employees, and maximize its human and capital assets to meet the goals of this program. • The applicant must provide its strategic plan and organizational development goals and clearing indicate its lending goals for the five years after the date of the application. • The narrative work plan should not be more than 5 pages in length. 	Up to 10 points will be awarded
<p>2. The applicant will provide the date that it began business as an MDO or other provider of business education and/or facilitator of capital. This date will reflect:</p> <ul style="list-style-type: none"> • When the applicant became licensed to do business • In good standing with the Secretary of State in which it is registered to do business, and • Regularly paid staff to conduct business on a daily basis. <p>If the applicant has been in business for:</p> <p style="text-align: center;">(i) More than 2 years but less than 3 years - - - - (ii) At least 1 year, but not more than 2 years - - - (iii) At least 6 months, but not more than 1 year - - (iv) Less than 6 months, or more than 3 full years</p> <p>If more than 3 years experience as an MDO, they must apply as an MDO with more than 3 years experience.</p>	5 points will be awarded 3 points will be awarded 1 point will be awarded 0 points will be awarded
<p>3. The applicant must describe in detail any microenterprise development training received by it as a whole, or its employees as individuals, to date.</p> <ul style="list-style-type: none"> • The narrative may refer reviewers to already submitted resumes to save space. • The training received will be rated on its topical variety, the quality of the description, and its relevance to the organization's strategic plan. • The applicant should <u>not</u> submit training brochures or conference announcements. 	Up to 10 points will be awarded
<p>4. The applicant must indicate its:</p> <ul style="list-style-type: none"> • Current number of employees, • Those that concentrate on rural microentrepreneurial development, and • The current average caseload for each. • Indicate how the caseload ratio does or does not optimize the applicant's ability to perform the services described in the work plan. • Discuss how Agency grant funding will be used to assist with TA program delivery and how loan funding will affect the portfolio. 	Up to 5 points will be awarded
<p>5. The applicant must indicate any training organizations with which it has a working relationship. Provide contact information for references regarding the applicant's capacity to perform the work plan provided. If the recommendations received from references are:</p> <p style="text-align: center;">(i) Generally excellent - - - - - (ii) Generally above average - - - - - (iii) Generally average - - - - - (iv) Generally less than average - - - - -</p>	5 points will be awarded 3 points will be awarded 1 point will be awarded 0 points will be awarded
<p>6. Describe any plans for continuing training relationship(s), including ongoing or future training plans and goals, and the timeline for same.</p>	Up to 5 points will be awarded
<p>7. The applicant will describe its internal benchmarking system for determining client success, reporting on client success, and following client success for up to 5 years after completion of a training relationship.</p>	Up to 10 points will be awarded
<p>8. The applicant will identify its proposed administrative expenses to be spent from TA grant funds. The maximum total number of points under this criterion is 5. If the percentage of grant funds to be used for administrative purposes is:</p> <p style="text-align: center;">(i) Less than 5% of the TA grant funding - - - - - (ii) Between 5% and 8%, but not including 8% - - - - (iii) Between 8% up to and including 10% - - - - -</p>	5 points will be awarded 3 points will be awarded 0 points will be awarded

If applicable - These items should be completed if the applicant status is as a

5) An applicant seeking **TA-only grant funding** must provide the additional information specified in 4280.316 (d).

4280.316 (d) Application requirements for Microenterprise Development Organizations (MDO's) seeking technical assistance only grants.
 TA only grants may be provided to MDO's that are not RMAP microlenders seeking to provide training and technical assistance to rural microentrepreneurs and rural microenterprises.
 An applicant seeking a TA only grant must submit the information specified in paragraphs (d) (1) through (4) of this section. The total number of points available under this section, in addition to the 45 points available in paragraph (a) of this section, is 55, for a total of 100 points.

**4280.316 (d)
 Total possible points are 55**

(1) History of provision of technical assistance. Each applicant's history of provision of technical assistance to microentrepreneurs and microenterprises, and their ability to reach diverse communities, will be scored based on the data specified in paragraphs (d)(1)(i) through (iv) of this section. Applicants may use a chart such as that suggested in **Figure 1** as they deem appropriate. The maximum number of points under this criterion is 20.

Figure 1 Data item	Federal Fiscal Year			
	Last Fiscal Year	Year Before Last Fiscal Year	2 nd year before last fiscal year	Total
Total # of Microloans Made _____	_____	_____	_____	_____
Total \$ Amount of Microloans Made _____	_____	_____	_____	_____
# of Microloans Made in Rural Areas _____	_____	_____	_____	_____
Total \$ Amount of Microloans Made in Rural Areas _____	_____	_____	_____	_____
# of Microloans Made to Racial and Ethnic Minorities _____	_____	_____	_____	_____
# of Microloans Made to Women _____	_____	_____	_____	_____
# of Microloans Made to the Disabled _____	_____	_____	_____	_____

(i) Provide the total number of rural and non-rural microentrepreneurs and microenterprises that received both microloans and TA services for each of the previous three Federal FY's.

(ii) Provide the percentage of the total number of rural microentrepreneurs and rural microenterprises that received both microloans and TA services for each of the previous 3 Federal FYs (*Calculate this as the total number of rural microloans made each year divided by the total number of rural and non-rural microloans made during the past 3 Federal FYs.*)

If provision of both technical assistance and resultant microloans to rural microentrepreneurs and rural microenterprises is demonstrated at a rate of:
 (A) 75% or more ----- 5 points will be awarded
 (B) At least 50% but less than 75% ---- 3 points will be awarded
 (C) At least 25% but less than 50% ---- 1 point will be awarded

(iii) Provide the percentage of the total number of rural microentrepreneurs by racial and ethnic minority, disabled, and/or gender that received both microloans and TA services for each of the previous three Federal FYs.

If the demonstrated provision of technical assistance and resultant microloans to these rural microentrepreneurs when compared to the total number of microentrepreneurs assisted, is at a rate of:
 (A) 75% or more ----- 10 points will be awarded
 (B) At least 50% but less than 75% ---- 7 points will be awarded
 (C) At least 25% but less than 50% ---- 5 points will be awarded

(iv) Provide the ratio of TA clients that also received microloans during each of the last three years.

If the ratio of clients receiving technical assistance to clients receiving microloans is:
 (A) Between 1:1 and 1:5 5 points will be awarded
 (B) Between 1.6 and 1.8 3 points will be awarded
 (C) Either 1:9 or 1:10 1 point will be awarded

(2) Ability to provide technical assistance. In addition to providing a statistical history of their provision of technical assistance to microentrepreneurs, microenterprises, and microborrowers, applicants must provide a **narrative of not more than five pages** describing the teaching and training method(s) used by the applicant organization to provide technical assistance and discussing the outcomes of their endeavors. The narrative will be scored as specified in paragraphs (d)(2)(i) through (iv) of this section. The maximum number of points under this criterion is 20.

(i) Applicants that have used more than one method of training and technical assistance (e.g., classroom training, peer-to-peer discussion groups, individual assistance, distance learning) *Will be awarded 5 points*

(ii) Applicants that provide success stories to demonstrate the effects of technical assistance on their clients will be awarded points under either of the following paragraphs, **but not both**.
 (A) News stories that highlight businesses made successful as a result of technical assistance 5 points will be awarded
 (B) Internal stories that highlight businesses made successful as a result of technical assistance 3 points will be awarded

(iii) Applicants that provide evidence that they require evaluations by the clients of their training programs and indicate that the evaluations cores are generally:
 (A) Excellent ----- 5 points will be awarded
 (B) Good ----- 3 points will be awarded
 (C) Less than good 0 points will be awarded

(iv) Applicants that present well-written narrative information that is clearly and concisely written and is five pages or less *will be awarded 5 points*

(3) Technical Assistance Plan. Submit a plan for the provision of technical assistance explaining how the funding will benefit the current program and how it will allow the applicant to expand its non-program microlending activities. *Up to 10 points will be awarded.*

(4) Proposed administrative expenses to be spent from TA grant funds. The maximum number of points under this criterion is 5.

If the percentage of grant funds to be used for administrative purposes is:
 (i) Less than 5% of the TA grant funding ----- 5 points will be awarded
 (ii) Between 5% and 8%, but not including 8% ---- 3 points will be awarded

If applicable - These items should be completed if the applicant status is as a

Reapplication for participating microlenders with **more than 5 years experience** as a microlender under this program.

4280.316 (e) Re-application requirements for participating microlenders with more than 5 years experience as a microlender under this program.

(1) Microlender applicants with more than 5 years of experience as an MDO under this program may choose to submit a **shortened loan/grant application** that includes the following:

- (i) A letter of request for funding stating the amount of loan and/or grant funds being requested.*
- (ii) An indication of the loan and/or grant amounts being requested accompanied by a completed SF 424 and any pertinent attachments.*
- (iii) An indication of the number and percent of program microentrepreneurs and microenterprises remaining in business for two year or more after microloan disbursement; and*
- (iv) A recent resolution of the applicant's Board of Directors approving the application for debt.*

(2) The Agency using this request , and data available in the reports submitted under previous fundings, will review the **overall program performance of the applicant** over the life of its participation in the program to determine its continued qualification for subsequent funding. Requirements include:

- (i) A default rate of 5% or less;*
- (ii) A pattern of delinquencies during the period of participation in this program of 10% or less;*
- (iii) A pattern of use of TA dollars that indicates at least one in ten TA clients receive a microloan;*
- (iv) A statement discussing the need for more funding, accompanied by account documentation showing the amounts in each of the RMRF and LLRF accounts established to date; and*
- (v) A pattern of compliance with program reporting requirements.*

(3) Shortened application under this section will be **rated on a pass or fail basis**. Passing applications will be assigned a score of 90 points and will be ranked accordingly in the quarterly competitions. Failing applications will be scored a 0.