



**Delta Regional  
Authority**

# 2015 Administrative Program Manual

*Creating Jobs. Building Communities. Improving Lives.*

ALABAMA - ARKANSAS - ILLINOIS - KENTUCKY - LOUISIANA - MISSISSIPPI - MISSOURI - TENNESSEE

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## **Introduction**

Delta Regional Authority (DRA) receives its annual appropriation from Congress. The DRA is listed in the Catalog of Federal Domestic Assistance (CFDA) as 90.201. The DRA's primary investment program, known as the "States' Economic Development Assistance Program" (SEDAP), allows the DRA to make significant impact toward creating jobs, building communities, and improving lives in the Delta. DRA Project Development & Management staff are actively participating in the development of successful projects and helping to make the necessary connections between applicants and other partners. This approach has allowed the DRA to be responsive to fluid economic development opportunities.

This manual outlines for all interested parties when the funding cycle begins, what is considered an eligible project, where to go to apply for funding, and how to manage your project from application preparation through project close-out. Copies of all necessary forms are included separately for your convenience (see dra.gov).

Revisions made to this year's program help to strengthen the continuity of the DRA's primary investment program (SEDAP). Continual steps are taken to ensure logical policies that support a consistent program. The new key concepts include: 1) an open funding cycle and 2) tiered application designations. These fundamental shifts together with a more robust web portal will serve to realign the DRA's fiduciary responsibilities to maximize the impact of funds appropriated by Congress.

Briefly, the "open funding cycle" will serve to alleviate choke points, increase application quality, allow for enhanced DRA technical assistance, get SEDAP dollars working more quickly, provide additional opportunities to conduct media outreach, allow award recipients to better match up to other funding partner cycles and meet the real-time needs of the individual projects. The "tiered" designation puts a spotlight on the DRA's current federal priorities, which will help frontload the 2015 cycle with better quality economic development applications, bearing greater impacts.

If, while reading this manual, you have questions regarding content please contact any of the DRA staff listed on page 39.

## **Administrative Notice**

In an effort to more formally convey changes to program policy and/or procedures the DRA has implemented the execution of Administrative Notices (Notice). These Notices shall serve to memorialize changes that shall be made to the documents herein.

## Table of Contents

Introduction .....	2
Table of Contents .....	3
Process Outline .....	4
Table of Abbreviations .....	5
2015 Timeline .....	6
Eligibility Guidelines.....	7-18
Post-Award/Compliance .....	19-23
Funding Priority Diagram .....	24
Funding Process Diagram .....	25
Distressed/Non-Distressed List .....	26-28
Clarification Notes .....	29-37
Staff Directory .....	39
Frequently Asked Questions .....	40-42

## Process Outline

1. Eligible Entities
  - a. Participating Member States
  - b. Local Governments (city and county)
  - c. Non-Profit Entities
  - d. Public Institutions of Higher Learning
2. Funding Pathways
  - a. Tier 1 - Expedited
  - b. Tier 2
3. Funding Types
  - a. Critical Development
  - b. Emergency/Contingency
  - c. Replacement
  - d. Rural Community Advancement Program (RCAP)
  - e. States' Economic Development Assistance Program (SEDAP)
    - i. Eligible Projects
      1. DRA's Four Funding Categories
        - a. Basic Public Infrastructure
        - b. Transportation Infrastructure
        - c. Workforce Development
        - d. Business Development, Emphasizing Entrepreneurship
      - ii. Eligible Priority Projects
        1. Federal Priority Criteria
          - a. Innovation and Small Business (Participation Agreement)
          - b. Regional Approach
          - c. Multiple Funding Partners
          - d. Emergency Funding Needs
          - e. Federal Partnerships
          - f. Small Business and Entrepreneurship Framework
        2. DRA's Regional Development Plan Goals
          - a. Competitive, Productive Workforce
          - b. Physical and Digital Connections
          - c. Sustainable Communities
        3. States' Priorities
          - a. Specific for Each State (see state plans)

## **Table of Abbreviations**

<b>Abbreviation</b>	<b>Definition</b>
DRA	Delta Regional Authority
LDD	Local Development District
FCC	Federal Co-Chairman
SEDAP	States' Economic Development Assistance Program
OMB	The President's Office of Management & Budget
SF	Standard Form (SF425: Financial Status Report)
RDP	Regional Development Plan
GIS	Geographic Information System
EPEFs	Existing Public Educational Facilities
IRS	Internal Revenue Service
GSA	General Services Administration
ACH	Automated Clearing House
SAM	Systems Award Management

## **2015 SEDAP TIMELINE**

April 22 SEDAP Funding Opportunity Announcement

April 22-July 31 Applications are submitted as they are developed:

- DRA staff will review for eligibility in real-time (within three weeks) and work with each LDD to provide appeal documentation for those projects deemed ineligible;
- Tier 1 projects will be eligible to receive funding as soon as review and determination meetings are conducted between DRA and Governor's office
- DRA will conduct project determination calls twice per funding cycle
- Projects recommended and certified, by the states, and approved for funding by the Federal Co-Chairman and State will be posted for board votes within 3 business days of receiving the proper certification, by the state

July 22-24 First Project Determination Meeting

August 30 Second Project Determination Meeting

September 15 SEDAP funding announcements are made

## **Who can apply and receive funding?**

Entities which are eligible to apply for DRA funding include: **state and local governments (state agencies, city and county/parish) public bodies, and non-profit entities with projects in the DRA region.** Eligible entities owing any type of federal debt are precluded from applying for DRA funding until such time as the federal debt is paid in full. Should a scenario arise where a federal debt is incurred after a DRA award has been made, any disbursement of funds will be “swept” by the Internal Revenue Service (IRS) and applied toward the debt. In this circumstance, no further DRA funds would be disbursed and the awardee would be responsible for repaying these funds to the DRA.

For-profit entities, while not eligible to apply directly, are a key component of economic development and in many circumstances the ultimate beneficiary of the project funding. However, an eligible entity, who owns the property, may rent or lease the property to a for-profit for the entity’s benefit. DRA will move to acquire property liens where it is in the best interest of DRA to do so. Should the awardee ever decide to dispose of the property purchased, in whole or in part, with DRA project funds, it is the awardee’s responsibility to seek DRA’s approval prior to disposal. At the DRA’s discretion, the return of project funds may be required after the sale of said property.

## **How does the SEDAP process work?**

DRA will announce the opening of the SEDAP cycle as early as December 1<sup>st</sup> of each year. However, funding for projects will depend upon the receipt of DRA’s annual appropriation and passage of the DRA budget at the annual Governor’s Quorum Meeting which takes place in late February each year. Each state’s allocation of SEDAP funding shall be made available for eligible projects, provided the state assessed dues have been remitted in full.

Eligible applicants should work with Local Development District (LDD) offices to prepare and submit applications to the Authority. Subsequently, a review and determination of project eligibility is made and projects are then divided into Tier 1 and Tier 2 eligible projects or are considered ineligible to receive funding. Any applicant whose project is found to be ineligible will be allowed to appeal this decision by working with the LDD and/or DRA to provide additional documentation or other supporting documents to address the material issue(s) cited.

Tier 1 projects must meet each of the following three federal priorities, as outlined in the Eligibility Guidelines and Clarification Notes: 1) job creation and/or retention will be protected with a Participation Agreement, 2) DRA funds will leverage other sources of public and/or private funds, and 3) the project will have a regional impact. In addition, projects meeting the imminent health or safety threat classification can be considered a Tier 1 project with proper documentation and support from the appropriate state or federal agency (i.e. Department of Environmental Quality). Finally, projects considered to be state economic development priority

projects (by the Governor's office) can be considered a Tier 1 project without meeting all three required federal priorities, provided the Governor's office: 1) recommends the project for funding, 2) certifies the project, 3) requests a waiver of the unmet Tier 1 criteria and 4) provides to the Federal Co-Chairman justification for the waiver. Tier one projects may be recommended for funding by the state at any time during the announced open funding window. This will provide an expedited pathway for Tier 1 projects.

**IMPORTANT:** Each state will be required to spend 75% of the state allocation on Tier 1 projects, before recommending Tier 2 projects for funding.

Tier 2 projects will encompass all other eligible projects. Should the state not receive enough Tier 1 applications to consider for funding recommendations, Tier 2 projects will be allowed to exceed 25% of the state's allocation. Tier 2 projects shall be considered at any point after 75% of funds have been applied to Tier 1 projects or during the last week of the funding window, ending on July 31<sup>st</sup>.

The months of August through November each year will be considered an "administrative dead period" for SEDAP application activity. Other funding opportunities and the associated eligibility reviews may continue during this time.

### **How are SEDAP projects selected for funding?**

The selection process is a collaborative effort between DRA and each state's board member, which is referred to as the Project Determination Meeting. The actual determination of eligibility for SEDAP investments is made by the Federal Co-Chairman, who bases the decision on the Eligibility Guidelines reviewed and approved by the DRA board.

Twice a year, DRA will proactively approach each board member and provide a list of eligible Tier 1 and Tier 2 projects, ranked by highest priority. Although, the state is encouraged to recommend Tier 1 projects at any time during the open funding window. The state's role is to recommend eligible project applications to the Federal Co-Chairman for funding consideration. With the Chairman's concurrence and approval projects can receive funding. This will ensure all priorities, both state and federal, are given due consideration and fully funded projects result from the process.

DRA and the states must agree on the final project allocation amount before any award documents can be delivered. Barring any new development(s), in the other funding sources listed in the application, states will not be allowed to "under-fund" projects by more than 25% of the requested amount. Applicants must address and accept any change to the budget before a Notice to Proceed can be issued.

## **What role do the LDDs play?**

All projects whether Emergency/Contingency, Replacement or SEDAP, are developed in coordination with the appropriate LDD. Projects are submitted electronically either by or through the LDD whose territory includes the home county/parish of the applicant and/or the county/parish being served.

LDD staff will review and certify that each project is legitimate and meets the parameters of the DRA program. Ultimately, the DRA makes the final determination of eligibility. However, LDDs will also acknowledge their role and responsibility as project managers for each project and ensure each project is implemented and regulations adhered to in a timely manner. In the event an application is deemed ineligible by the DRA, the LDD also serves as the local economic development agency that should be knowledgeable of other state and federal funding sources. Applicants are encouraged to work closely with the LDD in identifying the best available resources for their project.

In order to compensate the LDDs for the administrative work they perform, project administrative fees will be paid from the awarded funds. The formula for determining project administration fees is 5 percent of the first \$100,000 and 1 percent of all dollars in excess of \$100,000. By example, a \$200,000 award would include \$6,000 in LDD project administration fees, thereby making \$194,000 available for the purpose of the award. Further details of this arrangement and other alternatives can be found in the LDD Memorandum of Agreement.

**It should be noted, the appropriate time to consider the project administration fee is when the application is being prepared.** This should be discussed with the applicant and the fee included in the DRA requested amount. If the award is made for a lesser amount, all parties should be aware that the awarded amount (project funds) also includes the project administration fee. The administration fee is ONLY paid to the LDD and will not be allowed for consultants or other project managers. Should the LDD choose to waive their administration fee, all funds will be considered project funds.

Rural Community Advancement Program (RCAP) funding is considered non-competitive and is subject to several factors including USDA Rural Development eligibility guidelines. The DRA typically utilizes this funding account for various RCAP-eligible purposes including training, providing technical assistance, planning, etc. In consideration of available funding DRA may choose to consider SEDAP applications, which appear RCAP-eligible, for RCAP funding. In this way, the DRA can have a greater impact with its investments.

## **In an emergency situation, when time is critical, how quick can DRA complete the process?**

The “**Expedited Process**” will be initiated by the state when an immediate Tier 1 need occurs. In certain situations, there may be legitimate reasons for heightened confidentiality and need to respond immediately to ensure the success of a project.

The DRA will review the material available at the time and issue a conditional determination of Tier 1 eligibility within 24 hours. The DRA Board will vote on the project and notification will be made to the prospective applicant and state-level contacts. After conditional approval has been given and votes taken, the DRA staff will work with appropriate parties to secure the necessary application documentation. Barring any unforeseen challenges to the projects eligibility from the application material, the eligibility will be affirmed after the application has been reviewed. The DRA Communications staff will contact awardees to coordinate potential project press events. It is vital that no press announcements are released without prior approval, from the DRA. This includes but is not limited to newspaper articles, television or radio interviews, or any other printed electronic or recorded media.

### **What other types of funding are available?**

**“Critical Development”** projects are defined as projects including \$300 million or more in investment (public and/or private), and other than for technology-related projects, 350 or more jobs created and/or retained. These type projects would naturally fit the requirements of the expedited process should the host state so choose to make this request. Projects must have a multiple state impact and result in immediate and long-term benefits for the area served.

Assuming a DRA state has a critical development project, the following guidelines would be implemented. The DRA Board, including each Governor, would be notified of the project developments and the host state’s request. A board vote would be taken to record the affirmative responses of each state and the collective understanding and willingness to forego a certain percent of each state’s allocation for this project. Up to half of the host’s state’s allocation for the particular funding cycle would be utilized for the project and the other seven states would split the difference equally, by percentage, to make up the difference.

**“Emergency/Contingency (EC)”** funding is defined separately as emergencies related to natural disasters, fire, or unforeseen/unexpected developments which present a health and/or safety risks to communities, which are documented as such by state and or federal agencies; (i.e., Department of Environmental Quality (DEQ, Federal Emergency Management Agency (FEMA), or State Departments of Health). Projects shall include items not covered by insurance.

Contingency projects would fall outside the normal scope and/or timeline of SEDAP. These types of projects would still need to conform to the Eligibility Guidelines but, DRA would reserve the right to waive any note deemed to be unnecessary upon the written request and recommendation of the State. EC projects generally do not exceed \$150,000. However, funding for all EC projects is dependent upon the availability of funds and approval of the Federal Co-Chairman.

Due to the nature of Emergency/Contingency projects, a certain level of expediency is required and expected. Project applications originating at the LDD should be forwarded to the State (DRA

designee/alternate) for review and certification. The certified application will then be forwarded to the DRA for review and eligibility determination. Eligible projects will be voted on by the DRA Board and award documents will be generated and issued to the successful applicant(s). Under normal circumstances that process can be accomplished within 48 hours.

A **“Replacement”** project takes the place of a project that fails to materialize within the current SEDAP funding cycle. In an effort to encourage timely economic development efforts, a state may choose to utilize project funding from the current cycle in order to fund a more viable project if a project fails to materialize or begin work within 12 months from the Notice to Proceed delivery date. The project will receive a 30-day period to provide the necessary documentation to successfully request DRA funds for eligible, reimbursable expenses. If the project has not materialized by the end of the 13<sup>th</sup> month, the state will have 30 days to submit a replacement project online for review of eligibility and tier by the DRA. Provided the project meets DRA eligibility requirements, the project will be voted on by the DRA Board, and award documents will be issued upon an affirmative vote. Replacement projects should be “shovel-ready” and DRA reimbursements should begin within the first 90 days of the delivery of the new project’s Notice to Proceed.

## Are there more federal priorities than the three mentioned in the Tier 1 discussion?

- 1. Innovation and Small Business:** Projects include business and industry prospects committed to job creation and/or retention through the execution of a DRA Participation Agreement. This category also includes projects addressing healthy workforce solutions as a component of Business Development which can clearly demonstrate measurable results in health metrics, and improved employment data for a specific employer or business sector.
- 2. Multiple Funding Partners:** Projects that achieve desired outcomes through a collaborative effort with other funding sources, thereby increasing the leverage ratio of DRA dollars to other project dollars. In-kind contributions can be considered leverage.
- 3. Regional Approach:** Projects providing benefits to constituents in multiple counties or parishes, or multiple municipalities within a single county or parish.
- 4. Emergency Funding Need:** Projects must clearly demonstrate with supporting documentation provided by the appropriate state or federal agency, but for the DRA funding, the negative implications of inaction would result in immediate and detrimental health and/or safety issues for the constituents served. This type project will carry the highest priority and also the highest threshold for meeting this guideline.
- 5. Funding Partner Initiatives:** As DRA establishes federal partnerships, through program initiatives designed to provide supplemental funding support, DRA will give additional consideration to applicants such as communities receiving an “Investing in Manufacturers Community Partnership” (IMCP) designation, a Promise Zones designation, or other awards and program designations as identified by the Federal Co-Chairman.
- 6. Small Business:** Projects which can clearly demonstrate how it aligns with the policy set forth in the small business framework document. For more information see [www.dra.gov/initiatives/small-business](http://www.dra.gov/initiatives/small-business)

## **How to ensure the project meets the overall goals and priorities of the DRA and State...**

### **DRA Regional Development Plan Goals**

Please refer to the DRA Regional Development Plan (RDP) for a complete listing of the objectives listed for each of the three goals below. Visit [www.dra.gov](http://www.dra.gov) and download the RDP to help ensure project applications are successful. A summary of initiatives begins on page 17 of the RDP. The following list provides a summary of the RDP objectives:

- **Competitive, Productive Workforce:** This goal encompasses the vision of the plan with an aggressive agenda focused on addressing workforce competitiveness in the region. It also supports existing initiatives related to health, workforce training, and regional partnerships.
- **Physical and Digital Connections:** DRA’s continuing efforts to support telecommunications, highways, and energy producing capacity are given a detailed review and connected to the larger concern for the regional workforce.
- **Sustainable Communities:** The concept of “sustainable communities” reinforces what every economist and every resident already knows, growth requires jobs and investment. The sustainability leading to economic vitality is measurable. After analyzing more than a hundred variables, and as seen on page 12 of the RDP this plan emphasizes seven key factors empirically shown to drive employment growth and be linked to quality of place.

### **States’ DRA Strategic Plan Priorities/Goals**

To review state plans, visit the DRA website at [www.dra.gov](http://www.dra.gov).

Each state plan is designed to dovetail into the Authority’s RDP and is reviewed and revised with each new administration or every five years. Because each state’s plan is slightly different, the priorities and goals for each are not listed here.

## **How can an application be completed and submitted?**

### **Online Project Application Process**

DRA has taken a proactive role in bringing accountability, compliance and transparency to the project application process. The Authority is currently seeking to make the online application, an interactive resource, and all groups will gain an invaluable management tool.

The bullet points below provide a brief tutorial on the [new DRA funding portal](#). As previously stated, eligible applicants include state and local governments (state agencies, city and county/parish), public bodies, and non-profit entities with projects in the DRA region.

Applicants are strongly encouraged to work with and through the LDD, whose territory covers the applicant's home county/parish, to fill out the online application materials. All applications will be electronically transmitted to the appropriate LDD, if not generated by the LDD, for review and approval prior to being sent to DRA for eligibility review. The LDD is committed to manage and provide technical assistance to the applicant/awardee during this phase of the application process.

After logging in to [www.dra.gov](http://www.dra.gov), the applicant and/or LDD will follow the steps below:

- Scroll down to the Economic Development Funding icon and click to enter;
- Establish a login with secure credentials;
  - Applicants will be able to view project information and track the progress of the application process;
  - LDDs will have access to all projects within their district and will manage the flow of information from within this site;
  - Other interested parties will be able to view general information about projects within each state or the region;
- Applications submitted by applicants are electronically directed to the appropriate LDD office for review and certification (certification means the application is in substantial compliance with eligibility guidelines and clarification notes). Applications can also be prepared by the LDD on behalf of the applicant;
- Such certified applications are kept in an electronic database for viewing, editing and/or printing;
- Electronic notification is sent to DRA indicating completed/certified projects are ready for DRA review;
- DRA staff will review for eligibility and priority designation. Using the online management tools, DRA staff will indicate opinion(s) of eligibility and priority declaration;
- The FCC will make the final determination of eligibility and priority designation;
- Electronic notification is then sent to the LDD, board member(s), and applicant;

- Upon the recommendation of the state and approval of DRA, eligible Tier 1 projects can be selected at this time;
- Ineligible projects and projects lacking priority designations are provided an appeal opportunity. By providing additional/supplemental information, DRA will again review and provide opinion(s) and final determination;
- The LDD, board member(s), and applicant are again notified electronically of the final determination with no further recourse;
- Any appeal reversals, which are deemed to be Tier 1 can be immediately considered for funding by the state;
  - Tier 1 and Tier 2 projects will be shown separately on the list including status;
  - Tier 1 projects must be considered for funding prior to any eligible Tier 2 project, until 75% of the state's allocation is expended for Tier 1 projects;
  - The state's allocation and balance will be provided to assist in the selection process;
  - Tier 2 projects may be funded if (1) there are no Tier 1 projects, (2) funds remain after all Tier 1 projects have been funded, or (3) the project is mutually agreed upon by both the state and federal counterparts after a successful waiver request by the state;
  - Project budgets must remain intact in order to fund complete projects. DRA funds can only be decreased a maximum of 25% below the requested amount, other funds should be identified in order to offset the difference and an affidavit must be signed by the applicant to this effect. DRA funds cannot be increased to remove or decrease a leveraged amount;
- DRA will proactively meet with each state individually, twice per funding cycle, to jointly determine the state's project selection recommendations;
- Each project is submitted for a board vote as it becomes available;
- Upon approval of the FCC, award documents are generated for each selected project and the LDD and applicant are notified;
- LDDs will work with the pre-awardees to provide technical assistance;
- Award documents will be printed, signed, and mailed to DRA (hard copies are required);
- Once the award documents are received, DRA will utilize the application website to date/time stamp the receipt of documents; DRA staff will review and, if complete, will issue a Notice to Proceed to the LDD, Board member(s), and awardee;
- Project events, such as Notice to Proceed signings, may take place during this time; DRA communications staff will coordinate these events or determine, on a per project basis, that an event is not needed or necessary; and,

- Upon receipt of the Notice to Proceed, awardees may now begin incurring expenses for the project or DRA portion of the project, if so structured.

## **What happens to a project deemed ineligible?**

### **Appeals Process**

Should a project be determined ineligible, the following steps will occur:

- A notification outlining reasons for ineligibility, pursuant to the Eligibility Guidelines and/or other necessary information will be sent to the applicant and other project development team members, additional comments will be included, by DRA staff, to assist applicants with strengthening the application.
- Applicants will have time to submit additional documentation or supplemental information which will satisfy all eligibility requirements;
- Upon receipt of the additional information the DRA project development team will review and provide an opinion of eligibility;
- Projects will then be sent to the FCC for review and determination of final eligibility; and
- Within five working days from the time the additional information is received a notification will be sent back to the applicant and team members with the appeal results.

Should a project be determined Tier 2 eligible, the following steps will occur:

- A notification outlining the reasons for the lack of a Tier 1 designation will be sent to the applicant and other project development team members; additional comments will be included, by DRA staff, to assist applicants with strengthening their application.
- Applicants will have time to submit additional documentation or supplemental information which will justify elevating the project's designation;
- Upon receipt of the additional information, the DRA project development team will review and provide an opinion of the appropriate priority designation;
- Projects will then be sent to the FCC for review and determination of final priority designation; and results.
- Within five working days from the time the additional information is received, a notification will be sent back to the applicant and team members with the appeal.

**FISCAL YEAR 2015  
STATES' ECONOMIC DEVELOPMENT ASSISTANCE PROGRAM  
ALLOCATION FORMULA**

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The DRA enabling legislation requires the Authority to update distressed county designations annually. The following calculations reflect these updates.

**2015 Allocation Methodology**

Factors used in determining 2015 Allocation:

<b>Factor</b>	<b>Factor Percentage</b>
Equity Factor (divided equally among eight states)	50%
Population Factor (DRA counties/parishes only)	10%
Distressed Population (DRA counties/parishes only)	20%
Distressed County Area (DRA counties/parishes only)	20%

The model included factors using 2015 Distressed Counties data (based on 2012 Per Capita Income from the Bureau of Economic analysis and average from July 2012 to June 2014 National Unemployment Rate) to determine each State's allocated percent of the total budgeted for SEDAP. The table below shows the Fiscal Year 2015 States' Allocation.

**Table-FY15 States' Allocations**

Alabama	10.60%	\$1,006,718.70
Arkansas	15.10%	\$1,434,397.66
Illinois	8.14%	\$773,722.13
Kentucky	9.20%	\$874,446.85
Louisiana	16.78%	\$1,594,207.98
Mississippi	14.56%	\$1,383,363.45
Missouri	11.45%	\$1,087,955.02
Tennessee	14.16%	\$1,345,045.21
<b>Total</b>		<b>\$9,499,857.00</b>

For additional information regarding the DRA's annual budget that is explained in detail in the agency's Performance and Accountability Report completed at the end of each fiscal year, visit the DRA website at [www.dra.gov/transparency](http://www.dra.gov/transparency).

## **What happens after a project is funded?**

Once projects are recommended and certified by the state and DRA approved; then selected for funding, notifications will be made and award documents will be issued according to the type of project. As the executed award documents are returned (preferably by email) to DRA and all documentation is found to be in order, a “Notice to Proceed” will be issued and the awardee will be authorized to begin accruing expenses toward the project. However, the DRA reserves the right to select, any awarded project for press events. DRA communications staff will contact the awardee and local development district directly, to inform them that the project has been selected, for a press event. Until such time as Notice to Proceed has been issued, no local press coverage is allowed.

**No expenses accrued prior to the date of the Notice to Proceed** will be allowed unless prior approval was obtained in writing from DRA.

Quarterly reports will also commence on the first calendar quarter after the date of Notice to Proceed. Reports are due each calendar quarter thereafter whether project funds have been expended or not. Quarterly reports consist of a financial status report (SF-425), and a comprehensive report narrative (SF-PPR).

Project start and end dates are derived from the information provided in form SF-424 (Application for Federal Assistance). Receipt of the Notice to Proceed shall determine the actual start date, for all projects. For example, a project has requested an 18-month completion time, the project must be completed within 18 months of the award date.

## **What can an award recipient expect as a result of DRA’s compliance requirements?**

**Compliance:** By executing the award documents the awardee is affirming he or she will be accountable for the way the funds are spent and for meeting the target outcome measures. When a private entity is involved in the project, with the creation and/or retention of jobs, DRA requires the company to be held accountable for attaining those metrics through the use of the Participation Agreement (PA). At every level accountability is vital to the success of the project and ultimately the resurgence of this region. The DRA award agreement provides for a number of other DRA-specific requirements for submitting reports, contracting procedures, and disbursements of funds, to name a few.

LDDs play a key role in ensuring accountability at the local level. As part of the technical assistance provided by LDDs, each district shall ensure awardee compliance with the various DRA award document requirements as well as state laws. Some federal requirements such as the Civil Rights Act and Americans with Disabilities Act are mandatory, for all federal funding.

The federal and DRA-specific requirements pertain to all counties and parishes. State laws, however, are specific to each state and when necessary will supersede DRA-specific

requirements. It is the responsibility of the awardee to follow all state laws during the bidding and contracting portion of the project. This is an area where LDDs can provide essential compliance oversight as part of the technical assistance package.

**Monitoring:** DRA Project Monitors will work with and through the LDD to schedule site visits. These monitoring visits will more closely resemble a mini-audit, as the project monitor will be looking for evidence of compliance and accountability. The visit will include such items as a review of financial records, procedures, contracts, and overall awardee capabilities. If deficiencies are found, DRA and LDD staff will work to improve the awardee's abilities where possible.

In an effort to implement these visits in a timely and efficient manner, the Authority has devised the Site Visit Monitoring and Compliance Form (see dra.gov). Typically, the LDD will be notified that a project has been selected for site visitation. The awardee will then receive no less than 10 business days to compile all requested information and return it to DRA, prior to the pre-scheduled site visit, by DRA staff. Upon return of required information, the actual site visit will commence and a written appraisal will be forwarded to both the LDD and awardee within 30 days.

## **Reporting**

The most important aspect of the monitoring process is providing timely, accurate and comprehensive quarterly reports. It is the responsibility of the awardee to provide this information, although some LDDs include this activity as part of the technical assistance package. The reports shall follow the DRA approved format and include a form SF-425 (financial status report) and form SF-PPR (report narrative).

Quarterly report narratives shall include current information and reflect back on the tasks, timeline, and output/outcome measures described in the award application. Relevant information should include activities which occurred during the previous quarter, any problems or disruptions which prevented the project from being completed on time, and what tasks are expected to occur in the coming quarter. Quarters are divided by the calendar quarter and reports are due to DRA by the 15<sup>th</sup> of the month following the end of each quarter. (Due by: April 15, July 15, October 15, and January 15)

These reports and the information therein are vital to helping DRA and LDD staffs understand the status of each project. **There should never be an instance where a project report merely states "no activity"**. If for that quarter, there was "no activity" there must be an explanation as to why there was no activity and what tasks are expected to occur next quarter. Further, the report shall state how the awardee expects to meet the approved timeline. Project monitors need this information in order to make sound decisions regarding change of scope requests, timeline extensions, and project site visits.

Final reports are due at project closing and should reflect the actual outcomes of the project as compared to the outcomes projected in the application materials. An introspective assessment of the project's perceived success or failure is also required. If a printed document is produced with DRA funding, an electronic copy should be included.

DRA provides management tools, on [www.dra.gov](http://www.dra.gov), which will assist all parties in meeting compliance and monitoring requirements. Reminders and templates will ease some of the paperwork burden. LDDs will be able to review at a glance each project's status as it relates to reporting, as well as, disbursements in the future. This repository of online information and real-time communication will increase the effectiveness of project development in the region. By developing partnerships, DRA looks to strengthen relationships at all levels. This can be accomplished while ensuring integrity in the program by focusing on accountability.

### **Reimbursements**

Funds are reimbursed to awardees for eligible expenses as determined by the federal Cost Principles for the entity type. The required documentation includes: form SF270, the DRA Worksheet, and all other supporting documents. Supporting documents could include itemized bills, invoices, and receipts, detailed accounting of personnel costs, copies of contracts and/or a contractor's partial pay estimate. As outlined in the DRA Worksheet, there could be DRA costs as well as Non-DRA costs; invoices should be provided for ALL costs. All funding sources should be drawn down at their pro-rata share as determined in the application material, unless prior approval has been awarded in writing by DRA to do otherwise.

Upon receipt, review, and approval of the request, funds will be transferred electronically to the account established for the project by the awardee and as identified in the Automated Clearing House (ACH) form SF-3881, provided to DRA. The information provided on all ACH forms, to DRA, must match the banking information which is registered in SAM.gov. Further information, for SAM.gov is listed below. The reimbursement process generally takes seven to ten business days to complete. However, if errors in the documentation are found or there is a lack of sufficient supporting details, the DRA staff will work with and through the LDD to make necessary corrections. Copies of all forms and worksheets are provided in the subsequent sections attached hereto.

### **System for Award Management (SAM.GOV) and Central Contractor Registration (CCR)**

It is imperative that awardees keep information in the System for Award Management, better known as, SAM updated. Awardee information, in SAM, **MUST** be updated yearly. Failure to update information in SAM can and will result in the return of payments by General Service Administration (GSA)/US Treasury. It is the responsibility of the **awardee** to update all information. **Neither the DRA nor LDD has access to SAM to update awardee information.**

Step by step instructions can be found in (see dra.gov); there are several important pre-steps to remember, for SAM registration. They are as follows:

- Registration is **FREE** at [www.sam.gov](http://www.sam.gov). Beware of imposter sites or companies that will complete your registration for a fee.
- An active SAM registration is required in order to be awarded a contract with the federal government and to be paid for work performed.
- If you had an active record in CCR, you have an active record in SAM. To update or renew your records in SAM, you will need to follow the instructions in the guide. Your CCR log-in will not work in SAM.
- You must have a DUNS number to register in SAM. If you already have a DUNS number and need to update information on file with Dun and Bradstreet, do so at least 24 hours prior to updating information in SAM.
- You must have a Tax Identification Number (TIN or EIN) in order to register a business.
- Your business is referred to as an “entity” by SAM.
- If your CCR profile is linked to an email address that is no longer active within your firm; contact the Federal Help Desk after completing the migration, contact the SAM.gov, hotline to submit your registration, you must review and save the entire SAM record in one sitting.
- Due to IRS validation, It will take 3-5 business days for your registration to become active after submittal

### **Change of Scope Request**

Occasionally, an awardee would like to make subtle changes to the original project scope, which will require prior written approval from DRA. A written request should be submitted to the Director of Project Development & Management detailing the proposed request (see form DRA-216 on dra.gov). Upon receipt, DRA staff will review and make the appropriate administrative decisions within five business days.

Change of Scope requests include but are not limited to the following examples: budget modification within budget categories, timeline extension, size of the overall project, expansion/reduction of services, etc. Any change in the size of a project, due to other funding sources withdrawing from the project, must result in a viable, fully funded, and eligible project.

Any request which would result in a different project or project purpose than that originally approved would not meet the guidelines for a change of scope. SEDAP funds are made available for specific project purposes, not for awardees to use until expended. Requests determined to be more than a change of scope will be declined and an explanation of the decision will be provided to the awardee.

### **Project Closeout**

DRA recognizes that de-obligation of funds is occasionally required at the end of a project, which may occur upon completion of all necessary work or when an awardee does not live up to the expectations to which they committed. De-obligation can occur in one of two ways, administrative or by rescission of funds.

Administrative de-obligations occur upon the successful completion of a project. Once the final report is received and all administrative payments have been made any remaining funds shall be de-obligated. The awardee should provide written notice to DRA that the project is complete and remaining funds are no longer needed for the project. When fully approved, these funds will be de-obligated with General Services Administration (GSA) and applied to the Emergency/Contingency account.

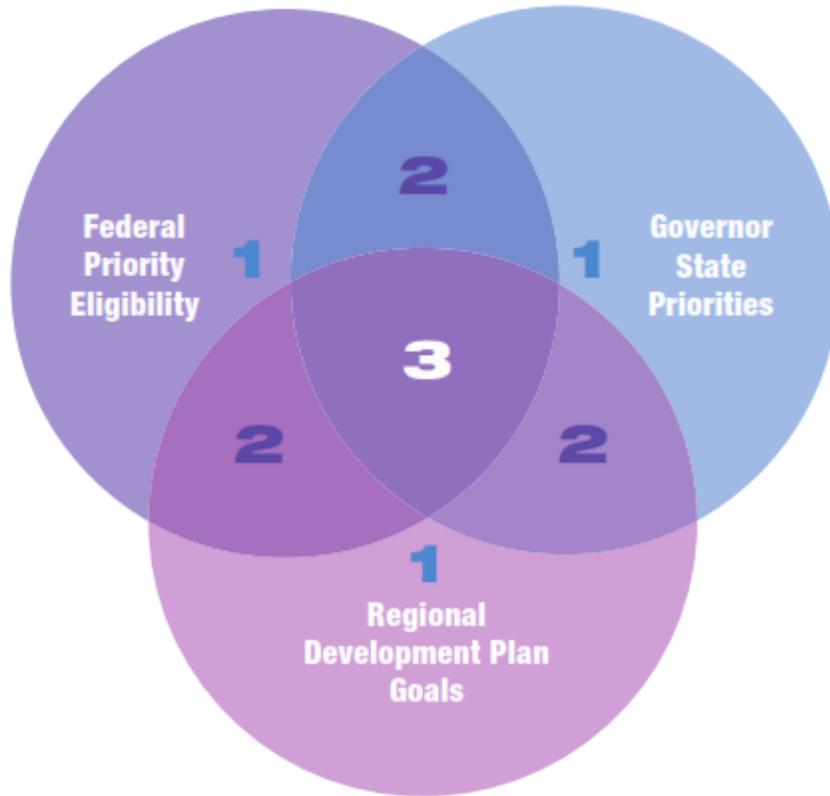
Rescission of funds occurs when an awardee allows 12 months to pass without a reimbursement request for eligible expenses, not including LDD administrative fees. When this occurs, the following measure will be enacted:

- On the first day of the 13th month awardees and all interested parties will be provided a copy of an Administrative Notice, DRA 11.003, allowing awardees 30 days to provide the necessary documentation to successfully request DRA funds for eligible, reimbursable expenses.
- If there are no eligible, reimbursable expenses successfully requested at the end of the 13<sup>th</sup> month, the state will then have 30 days to identify a replacement project that utilizes the remaining funds obligated to the original project.



The diagram lists the individual funding categories and priority criteria for each component. A project must first meet the eligibility criteria found in the outer layer before passing through to the inner layers of additional investment focus. All eligible projects will be arranged from highest to lowest priority and project selections will be made from this list. Projects not meeting eligibility criteria in the outer layer are not reviewed further to determine priority ranking and will not be considered for funding.

## DRA Project Funding Process



The above Venn Diagram depicts three additional areas of investment focus for projects determined to be eligible for funding. The three additional areas include: federal priorities, DRA Regional Development Plan goals, and goals from individual state strategic plans. Project applications should demonstrate how the proposed activities meet at least some of the priorities and goals from each of the three areas. In this way, a project becomes more competitive and rises in priority ranking.

The diagram provides a visual representation of how a project achieves the highest priority ranking. The area where all three circles overlap includes projects meeting some priority criteria in each area. Projects meeting criteria in two of the three areas have a lesser priority ranking and can be considered for funding after top priority projects have been funded.

## FY 2015 Distressed Counties and Parishes

### Alabama

Barbour	Conecuh	Lowndes	Pickens
Bullock	Dallas	Macon	Russell
Butler	Escambia	Marengo	Sumter
Choctaw	Greene	Monroe	Washington
Clarke	Hale	Perry	Wilcox

### Arkansas

Ashley	Dallas	Lawrence	Randolph
Baxter	Desha	Lee	St. Francis
Bradley	Drew	Lincoln	Searcy
Calhoun	Fulton	Lonoke	Sharp
Chicot	Grant	Marion	Stone
Clay	Greene	Mississippi	Union
Cleveland	Independence	Monroe	Van Buren
Craighead	Izard	Ouachita	White
Crittenden	Jackson	Phillips	Woodruff
Cross	Jefferson	Poinsett	

### Illinois

Alexander	Johnson	Pulaski	Williamson
Franklin	Massac	Randolph	
Gallatin	Perry	Saline	
Hardin	Pope	Union	

### Kentucky

Ballard	Fulton	Lyon	Webster
Caldwell	Graves	McLean	
Calloway	Henderson	Marshall	
Carlisle	Hickman	Muhlenberg	
Christian	Hopkins	Todd	
Crittenden	Livingston	Trigg	

## FY 2015 Distressed Counties and Parishes (continued)

### Louisiana

Allen	East Feliciana	Livingston	Tangipahoa
Avoyelles	Evangeline	Madison	Tensas
Beauregard	Franklin	Morehouse	Union
Bienville	Grant	Red River	Vermillion
Caldwell	Iberville	Richland	Washington
Catahoula	Jackson	St. Bernard	West Carroll
Claiborne	Jefferson Davis	St. Helena	West Feliciana
Concordia	La Salle	St. James	Winn
East Carroll	Lincoln	St. Martin	

### Mississippi

Adams	Holmes	Montgomery	Union
Amite	Humphreys	Panola	Walthall
Attala	Issaquena	Pike	Warren
Benton	Jasper	Quitman	Washington
Bolivar	Jefferson	Sharkey	Wilkinson
Carroll	Jefferson Davis	Simpson	Yalobusha
Claiborne	Lafayette	Smith	Yazoo
Coahoma	Lawrence	Sunflower	
Copiah	Leflore	Tallahatchie	
Covington	Lincoln	Tate	
Franklin	Marion	Tippah	
Grenada	Marshall	Tunica	

### Missouri

Bollinger	Howell	Pemiscot	Stoddard
Butler	Iron	Perry	Texas
Carter	Madison	Phelps	Washington
Crawford	Mississippi	Reynolds	Wayne
Dent	New Madrid	Ripley	Wright
Douglas	Oregon	Shannon	
Dunklin	Ozark	St. Francois	

### Tennessee

Benton	Dyer	Haywood	McNairy
Carroll	Fayette	Henderson	Obion
Chester	Gibson	Henry	Shelby
Crockett	Hardeman	Lake	Tipton
Decatur	Hardin	Lauderdale	Weakley

# FY 2015 Non-Distressed Counties and Parishes

## Alabama

No counties are designated as non-distressed.

## Arkansas

Arkansas	Prairie	Pulaski
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## Illinois

Hamilton	Jackson	White
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## Kentucky

McCracken	Union	
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## Louisiana

Acadia	Jefferson	Rapides
Ascension	Lafourche	St. Charles
Assumption	Natchitoches	St. John the Baptist
Cameron	Orleans	St. Landry
De Soto	Ouachita	St. Mary
East Baton Rouge	Plaquemines	Webster
Iberia	Pointe Coupee	West Baton Rouge

## Mississippi

DeSoto	Madison	Rankin
Hinds		

## Missouri

Cape Girardeau	Scott	St. Genevieve
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## Tennessee

Madison

**DELTA REGIONAL AUTHORITY  
STATES' ECONOMIC DEVELOPMENT ASSISTANCE PROGRAM  
(SEDAP)  
ELIGIBILITY GUIDELINES AND CLARIFICATION NOTES  
FOR DRA INVESTMENTS**

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**PREAMBLE**

The Delta Regional Authority (DRA) follows a concise set of guidelines when determining the eligibility of projects submitted for funding consideration. This document provides DRA staff with the necessary guidance to make the required determinations. DRA's role in this process is to ultimately create an active list, or pipeline, of economic development projects separated into Tier 1 and Tier 2 categories, which will provide the governor of each state with a list of eligible priority projects for his or her funding recommendations.

In order to elevate any eligible project to "Tier 1" status, applicants must also clearly demonstrate how the project would meet the following three Federal Priority Eligibility Criteria (job creation/retention with a Participation Agreement, multiple funding partners, and regional impact), at least one of the DRA Regional Development Plan goals, and at least one of the State's DRA Strategic Plan priorities, which are enumerated below. Each project will be reviewed on its own merit.

Potential applicants for DRA funding should familiarize themselves with this document and demonstrate, within the application package, how the project meets the standards outlined within this section. Any eligible application must be consistent with the definitions and/or concepts found below and must be supported with proper supporting documentation.

Applicants must demonstrate through a sound, comprehensive plan based on hard data, proven methodology and reasonable forecasts acceptable to DRA that the applicant is capable of maintaining the project after DRA funding to assure the sustainability of the project and achievement of the level of service outlined in the project description. DRA intends to support projects, programs and entities which can display a pattern of success without the need for ongoing, long-term financial support from currently un-committed funding sources.

***DRA investments CANNOT be used by or for the following:***

- Youth-oriented activities with no direct connection to entrepreneurship or workforce development
- Activities which would constitute a conflict of interest or be considered less than an arm's length transaction
- Projects which do not conform to the project state's bid, procurement or contract laws
- Private university-led projects
- For-profit entities or individuals
- Residential developments
- Unsustainable projects
- Spec-buildings
- Marketing or feasibility studies
- Community initiatives
- Emergency vehicles, equipment or accessories
- Local government facilities or equipment
- Water meters, as a stand-alone project
- Maintenance and/or deferred maintenance projects
- Work performed on private property
- Establishing or supporting curriculum within post-secondary institutions
- Leadership programs
- Seasonal or Part-Time jobs
- Indirect cost rate in excess of 10%
- Operating costs as a stand-alone project
- Project administration fees

***DRA investments SHALL be used by and for the following:***

- Agencies or entities
- Category 1: Basic Public Infrastructure projects
- Category 2: Transportation Infrastructure projects
- Category 3: Business Development projects, with an emphasis on entrepreneurship
- Category 4: Workforce Development projects
- Preliminary site development
- Land purchase
- Equipment or other property purchased for use by a private entity
- Health or safety risks
- Operating costs
- Business incubation
- Employability skills

***DRA investments CANNOT be used by or for the following:***

- ***Youth-oriented activities with no direct connection to entrepreneurship or workforce development, as defined below*** – Ineligible activities would include but not be limited to: promoting/advocating stay-in-school programs and general K-12 or post-secondary education curriculum with a goal to simply keep children in school for the purposes of obtaining an education and/or to receive a diploma.
- ***Activities which would constitute a conflict of interest or be considered less than an arm's length transaction*** – Any such potential circumstance must be disclosed to DRA, in writing, prior to the application approval phase. DRA will review the discloser on a case by case basis and determine the proper course of action moving forward. Perceived conflicts, identified after funds have been awarded, will result in the delay of payments until evidence can be provided to clarify the relationship(s). Actual conflicts identified after funds have been awarded may result in forfeiture of awarded funds, the repayment of expended funds, and/or legal action as deemed appropriate and necessary by DRA.
- ***Projects which do not conform to the project state's bid, procurement or contract laws*** – Lack of familiarity with the bid, procurement or contract laws in your state, will not constitute a defense argument, should DRA determine the laws were ignored or not appropriately adhered to.
- ***Private university-led projects*** – DRA will not consider private universities to be eligible to receive federal funds directly or through a pass-through relationship. If a project is determined to be managed and directed by a non-profit foundation, affiliated with the private university, then the foundation could be considered the eligible recipient.
- ***For-profit entities or individuals*** - DRA will not consider for-profit entities to be eligible to receive federal funds directly or through a pass-through relationship. Eligible entities may not be conduits for private sector entities. Property purchased with DRA funding cannot, in turn, be sold or given to a private entity beneficiary. DRA is able to indirectly assist and support the development of for-profits by improving public infrastructure or providing needed workforce training, implemented or delivered by eligible entities.
- ***Eligible entity exceptions*** – 1) Entities normally deemed to be eligible but due to prior award history are barred from receiving DRA funding; and 2) eligible entities owing any type of federal debt are precluded from applying for DRA funding until such time as the federal debt is paid in full. Should a scenario arise where a federal debt is incurred after a DRA award has been made, any disbursement of award funds can be “swept” by the federal agency and applied toward the debt. In this circumstance no further DRA funds would be disbursed and the awardee would be responsible for repaying the “swept” amount and potentially, any other funds previously received.
- ***Residential developments*** – Ineligible activities would include: site work in a new development or to open additional lots in an existing development, construction of homes or spec-houses, any activity which may directly financially benefit the developer, or run utilities to the site of a future residential development.
- ***Unsustainable projects*** – Unsustainable, as defined by DRA for the purposes of its funding programs, shall mean: the entity conducting the project is/will be dependent upon future federal or state grants, donations, or any other (currently non-committed) funding sources for the entities' normal operating costs, including salaries, program-related travel, etc. Entities which may prove to be unsustainable over time may be

eligible to receive DRA funding as “seed capital” and/or “bridge capital” for a singular project. Continuing DRA support, should the project receive funding and subsequent funding, would be limited to three consecutive funding cycles. Consideration would be given to continuing the partnership with the same entity, beyond three years, if the project scope applied for was substantially different from the original project’s scope.

- ***Spec-buildings*** – Industrial building(s) constructed, by eligible entities, for the purpose of attracting unidentified and/or uncommitted tenants as an incentive to locate will be deemed speculative and ineligible to receive DRA funding. Likewise, new business/entrepreneurial incubator sites or new incubator expansion projects, must demonstrate the commitment of some tenants or the plausible methodology for determining the number of unserved potential clientele.
- ***Marketing or feasibility studies*** – Research and/or studies for the purposes of promoting an area or industry, or gathering data necessary for implementing future plans will be deemed speculative and ineligible to receive DRA funding. Studies will not be considered as part of an implementation process in projects, programs, campaigns or initiatives.
- ***Community initiatives*** – Activities with no logical (direct) connection to the economic development efforts of a community such as: gardens, parks, entertainment venues, sidewalks, beautification projects, etc. will be deemed speculative and ineligible to receive DRA funding.
- ***Emergency vehicles, equipment or accessories*** – Applications for the singular purpose of purchasing emergency vehicles such as: ambulance, fire truck, police car, city/county/municipal personnel vehicles, boats, airplanes, etc. or equipping said vehicles or emergency workers will be deemed ineligible to receive DRA funding. Unless the purchase is directly tied to a specific economic development project within the community and the purchase of said vehicle/equipment/accessories will meet the explicit needs of the identified industry partner(s). DRA reserves the right to identify other potential funding, for which, these type expenses may be allowable.
- ***Local government facilities or equipment*** – Activities including the construction or renovation of a City Hall, courthouse, library, or any facility with the singular purpose of housing local (city/county/parish) government offices or the purchase of general use equipment for these type facilities, including voting machines, PCs/laptops, furnishings, etc.
- ***Water meters, as a stand-alone project*** – DRA will not consider applications eligible for funding which only describe the replacement of unreliable, inoperable water meters as a stand-alone project. Consideration will be given to project applications which include water meter replacement as part of an overall water system upgrade or extension, provided all work is completed on public property or right-of-way.
- ***Maintenance and/or deferred maintenance projects*** – Maintenance shall mean the work of keeping something in proper condition or upkeep. Deferred Maintenance shall mean to put off, postpone or procrastinate the act of conducting maintenance. However, consideration will be given to infrastructure projects like dredging of ports if demonstrated to result in job creation and/or retention. Local/state/federal road, highway, or bridge maintenance projects will not be eligible to receive DRA funding.
- ***Work performed on private property*** – Project activities conducted on privately held property will be deemed ineligible to receive DRA funding. To be considered an

allowable expense the property owner would be required to grant an easement or right-of-way to the eligible entity and proper access to said property.

- ***Establishing or supporting curriculum within post-secondary institutions*** – DRA will not consider applications eligible for funding which are designed to create or support ongoing educational curriculum within the post-secondary environment. A clear distinction shall be made between standard curricula development and addressing the specific needs of industry through career and technical skills training designed to promote workforce readiness in a given location.
- ***Leadership programs*** – DRA will not consider applications eligible for funding, under the workforce development criteria, which describe a leadership development/capacity building initiative. DRA reserves the right to identify other potential funding, for which, these type expenses may be allowable.
- ***Seasonal or part-time jobs*** – Project applications which create or retain only seasonal or part-time jobs will not be considered eligible for DRA funding.
- ***Industry/business relocation*** – No financial assistance will be authorized to assist any relocation from one area (of the region) to another, except as authorized, to attract businesses from outside the DRA region to the DRA region, or to prevent a business from leaving the DRA region.
- ***Supplant existing funding streams*** – *Other project funds shall not be reduced with the addition of DRA funding*
- ***Indirect cost rate in excess of 10%*** - DRA's limited resources, when committed to a project, are best utilized for allowable direct programmatic expenses. As a result, DRA has made the determination to discourage indirect costs altogether. However, consideration may be given to allow limited indirect expense(s) and/or an approved indirect cost rate, not to exceed 10% of the total DRA investment.
- ***Operating costs as a stand-alone project*** – DRA will not consider applications eligible for funding which only include standard operating costs. DRA investments must also be tied to other direct programmatic expenses, which can be deemed eligible under the other funding guidelines.
- ***Project administration fees*** – Fees paid to consultants or other outside parties for the express purposes of preparing the DRA application or administering the DRA project shall not be considered an allowable expense. However, Local Development Districts (LDDs) are identified within DRA's enabling legislation as the principal technical assistance providers and program partners for DRA supported programs.

***DRA investments SHALL be used by and for the following:***

- ***Agencies or entities*** – The eligible entity must be organized and legally recognized as either a non-profit, public institution of higher learning, local form of government, or other local/state entity which is eligible to receive federal funds. The entity should work closely with the LDD servicing the project area while developing and submitting the online application. The LDD’s certify the project applications are complete and for eligible purposes as part of their role as the authorized technical assistance provider.
- ***Category 1: Basic Public Infrastructure, in distressed counties/parishes and isolated areas of distress:***
  - ***Defined:*** Basic Public Infrastructure shall mean Water and Wastewater Facilities, Electric and Gas Utilities, Broadband Delivery, and Solid Waste Landfills, all of which are fundamental services necessary to promote growth and/or attract business, which have a useful life of 20 years or more.
- ***Category 2: Transportation Infrastructure, for the purpose of facilitating economic development in the region:***
  - ***Defined:*** Transportation Infrastructure shall mean basic physical structures needed to support and/or create a transportation system, which shall include roadways, bridges, rail, port facilities, airports, and other structures deemed central to an overall transportation system.
- ***Category 3: Business Development projects, with an emphasis on entrepreneurship:***
  - ***Defined:*** Business Development shall mean those areas which include small business, entrepreneurship, the creation of new businesses and the retention or expansion of existing businesses in the local communities. Emphasis on entrepreneurship should include the strengthening of the entrepreneurial ecosystem within the region or providing services to emerging and existing entrepreneurs.
  -
- ***Category 4: Workforce Development, job training or employment related education, with an emphasis on the use of existing public educational institutions located in the region:***
  - ***Defined:*** Workforce Development shall mean job training or employment-related education for a specific employer or industry sector to fill immediate job openings or retain current jobs, which are documented as such by that specific employer or industry expert. Delivery of such training shall be through the use of existing public educational facilities (EPEFs) located in the Region. Consideration will be given to other providers, where an EPEF cannot be identified.
- ***Basic residential infrastructure*** – Projects for communities in distressed counties/parishes, or isolated areas designated distressed in non-distressed counties/parishes may be considered, provided they meet the program requirements set out in other applicable clarification notes. “Isolated areas of distress” shall mean, areas of distress identifiable by census tract (based on distressed criteria) within a non-distressed county or parish.
- ***Geographic Information Systems (GIS) and broadband*** – Complete and sustainable projects, which are not speculative in nature, include feasibility studies, proven to create

an unfair competitive advantage within the communities served or subsidize for-profit entities.

- ***Fire or police stations*** – Projects which construct or improve fire or police stations will be considered, provided one of the following two criteria can be met: 1) evidence shall be provided with the application that the project will have a positive net impact on the community through lower tax/insurance rates, or 2) evidence shall be provided that the facility serves a multi-jurisdictional coverage area that is unserved.
- ***Preliminary site development*** – As needed to complete a larger, committed economic development construction project. Allowable activities may include but are not limited to engineering design, architectural planning, environmental assessments or legal work necessary to secure other funding sources and/or begin the actual construction of the greater project.
- ***Land purchase*** – To be considered eligible for DRA funding a committed industry willing to locate or expand operations must be involved and the eligible entity must retain ownership of the property.
- ***Equipment or other property purchased for use by a private entity*** – Ownership of the property must reside with the awardee and lease amounts must be based on standard lease rates for a long-term lease agreement.
- ***Operating costs*** – Project applications which include, as part of the overall project, budget items generally considered “operating costs” shall be deemed allowable, when the operating costs are associated with the establishment of a new program, the short-term continuation of a program which is on a path to sustainability and documented as such.
- ***Business incubation*** – Organizations committed to the growth and development of startup businesses by providing resources and services to help businesses succeed. These services can include (educational workshops on technology, business development, startup methodology, marketing/branding, exporting, etc.; direct business mentorship; access to market; access to investors; co-working space; etc.). Priority will be given to programming that aims to create sustainable entrepreneurial ecosystems and high-growth, scalable ventures. Funds cannot be awarded to individual entrepreneurs. Funds cannot be awarded to an organization that intends to use the funds as financial investment in entrepreneurs in exchange for company equity.
- ***Employability skills*** – Workforce and Business Development applications may include, as one component of a more extension development strategy, a focus on “employability skills”. The overall strategy must be inclusive of other, more traditional, job skills training and placement assistance.

This list of eligible and ineligible activities is not intended to be exhaustive, it is merely provided as a broad guide to assist in determining typical funding scenarios.

## ADDITIONAL AREAS OF INVESTMENT FOCUS

In addition to the above referenced funding categories, concepts and associated clarification notes, it is also important to clearly demonstrate how the project would meet at least one of the tenants from each of the three additional areas of investment focus in order to achieve “priority” status for each project. Priority projects will be considered a more competitive application for DRA funding over other projects.

### FEDERAL PRIORITY ELIGIBILITY CRITERIA

1. **Innovation & Small Business** - Projects that include business and industry prospects committed to creating, retaining or maintaining jobs, through the execution of a DRA Participation Agreement. The Participation Agreement is a common “clawback” instrument used in economic development to guarantee outcomes. As stewards of public resources, it is advantageous to provide outcome metrics which are validated through the protection this document provides.
2. **Regional Approach** - Projects that provide benefit to constituents in multiple counties or parishes, or multiple municipalities within a single county or parish. Applications for regional water and/or waste water systems will be considered more competitive than stand-alone municipal systems.
3. **Multiple Funding Partners** – Applications for projects which include multiple funding sources (both public and/or private) and significantly leverage DRA dollars to other federal or non-federal dollars will be considered more competitive than applications which only include DRA funding or minimal investment leverage.
4. **Emergency Funding Need** - Projects that can clearly demonstrate, but for DRA funding, the negative implications of inaction would result in immediate and detrimental health and/or safety issues for the constituents served. Projects posing an immediate health or safety risk which have already met at least one of the four funding categories (listed above) will be considered for funding ahead of all other applications. Sufficient documentation must be provided from the appropriate state or federal agency (DEQ, EPA, etc.), specifically stating the cause or reason for the issue and the agency’s concurrence that an immediate health or safety concern exists.
5. **Funding Partner Initiatives:** As DRA establishes federal partnerships, through program initiatives, designed to provide supplemental funding support, DRA will give additional consideration to applicants, such as communities receiving the Investing in Manufacturers Community Partnership, a Promise Zones designation, or other awards and program designations as identified by the Federal Co-Chairman.
6. **Small Business Framework:** Must clearly demonstrate how the project aligns with the policy set forth in the [small business framework](#) document.

## **DRA AND STATE REGIONAL DEVELOPMENT PLAN GOALS**

To access the DRA and State Regional Development Plans and to find complete listings of the objectives listed under each plan, go to - <http://dra.gov/funding-programs/strategic-economic-development-plans-by-state/>.

**Delta Regional Authority**  
**States' Economic Development Assistance Program**  
**Staff Directory**

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## FREQUENTLY ASKED QUESTIONS

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### 1. Who is eligible to apply?

Any person representing a legally organized non-profit or local/state government entity who is recognized by that entity, through a board resolution, to apply for Delta Regional Authority (DRA) project funding; this representative would also be bonded and/or insured by the applicant entity against employee theft.

### 2. How do I apply?

First contact the Local Development District (LDD) office that covers the county/parish of the applicant's location. Working with the LDD and through [www.dra.gov](http://www.dra.gov), an online application will be completed and submitted.

Applications completed by the applicant will be submitted to and approved by the LDD before the DRA eligibility and priority review. LDDs can also submit applications on behalf of applicants who may not have access to internet service.

### 3. What is an LDD?

Local Development Districts (LDDs) are sub-regional organizations DRA works with to provide technical assistance to applicants and awardees. These organizations go by different names in different states: Planning and Development Districts, Planning Commissions, Regional Commissions, etc. They can cover as few as one and up to twelve or more counties/parishes. DRA works with 45 different LDDs in the eight-state region. A complete list can be accessed on the DRA website site at [www.dra.gov](http://www.dra.gov).

LDDs are a great resource for project development. In addition to the assistance they provide with DRA funding, LDDs can also provide guidance on other funding sources and impart invaluable practical knowledge on moving your project forward.

### 4. What forms and documents are required to be completed for a construction project?

Standard Forms (424c & 424d) are the only unique forms required for construction projects during the application phase. Once a funding award has been made, copies of all contracts and engineering reports shall be provided to DRA for review and inclusion into the award file.

### 5. What forms and documents are required to be completed for a non-construction project?

Standard Forms (424a & 424b) are the only unique forms required for non-construction projects during the application phase.

All applications will include the SF-424, project summary, and full project narrative. This information is supplied during the online application session.

6. Are awardees required to contribute matching funds?

Awardees are required to contribute at least a 10% match. However, at the Federal Co-Chairman's discretion, the match can be waived for those projects located in distressed counties or parishes and isolated areas of distress.

7. Can DRA funds be used as the local match for other federal funds?

No; as stated in DRA's enabling legislation, the Federal Co-Chairman may increase the federal share of a project to 90%, and in distressed counties, up to 100%. If DRA increases the federal share to 100%, a local match is no longer needed.

8. Which activities are not allowable and cannot be funded?

Reference the DRA Eligibility Guidelines and Clarification Notes at [www.dra.gov](http://www.dra.gov) or on page 31.

Eligible entities may NOT be conduits for private-sector entities. Property purchased with DRA funding cannot, in turn, be sold to the private entity beneficiary.

NO financial assistance will be authorized to assist any relocation from one area (of the region) to another, except as authorized, to attract businesses from outside the DRA region to the DRA region, or to prevent a business from leaving the DRA region.

DRA funding CANNOT be used to "supplant" existing funding streams. Other funding sources shall not be reduced with the addition of DRA funding.

Government facility construction and/or improvements (including, but not limited to, local/state government offices, libraries, multi-purpose buildings and public education buildings/schools) will NOT be eligible. However, fire station construction and/or improvements will be considered eligible under this provision. Evidence shall be provided with the application that the project will have a positive impact on the community through lower taxes/insurance rates and/or includes a multi-jurisdictional coverage area that is under-served.

Local, state and/or federal road, highway and/or bridge maintenance projects will NOT be eligible for DRA funding.

Other than for "Workforce Development" projects as described above, start-up or ongoing operating costs (including, but not limited to, salaries, vehicles, equipment and maintenance) will NOT be deemed eligible.

Feasibility/marketing type studies will be considered non-sustainable and speculative; therefore, they will NOT be considered eligible.

Projects deemed “speculative” in any of the four funding areas will NOT be eligible.

9. How do I determine the actual start date of my project?

The funding application website will ask for a start and end date for your project. This provides DRA with the actual length of your project. When all award documents are signed and returned, a Notice to Proceed will be issued to the awardee. The actual start date will be the date of this notice and will last for the duration of time provided in the application.

If the awardee fails to return the award documents, and no Notice to Proceed is issued, the start date will be calculated 60-days from the date of the Award Document Letter.

10. What is the maximum time I have to begin spending allotted award funds?

DRA reserves the right to withdraw funds of projects that have not begun within 12 months of the award. Awardees are encouraged to begin and end their projects on time. If, due to unforeseen circumstances, the project is no longer feasible, the awardee should contact DRA to de-obligate the award funds and apply again at a later date.

11. If an awardee does not complete its project within the stated project end date, may an extension be awarded?

Yes; DRA should be able to discern from quarterly reports that the project has experienced unforeseen problems which would necessitate a no-cost timeline extension. The awardee should prepare and submit a letter to DRA requesting the extension which is based on reasonable forecasts for completing the project.

12. How do awardees collect their award funds?

The awardee should complete an ACH form SF-3881 and submit to DRA. Funds will be electronically transferred to the bank account listed on this form.

Actual requests for reimbursement/advance should include form SF-270 and all supporting documentation. Supporting documents could include itemized: invoices, time accounting for personnel, contracts, receipts, etc.

13. When may an awardee begin charging against the award?

Funds may be expended only after the Notice to Proceed has been issued.

14. What is the CFDA Number?

CFDA stands for Catalog of Federal Domestic Assistance and each federal program has a unique CFDA number. The CFDA number for DRA is 90.201.

15. What is the purpose of the Participation Agreement?

The Participation Agreement was developed to demonstrate the private entity's commitment to creating and/or retaining jobs and injecting capital investment into a project. Congress looks to DRA to track certain metrics which include jobs created, jobs retained, families affected, and people trained. DRA also tracks private leveraged investment in addition to the other public investment (other project funds).

When DRA reports to Congress the results of the prior fiscal years, there needs to be a certain level of confidence in the metrics being reported. In the case of a project that benefits a private entity and allows that entity to expand or locate a facility, DRA is asking that partner to show its commitment by agreeing to this document.

There are provisions within the document that protect DRA's investment and there are provisions that protect the private entity, as well. It is not DRA's intention to burden a business during an unforeseen economic downturn by leveling financial penalties against the firm. However, depending on the circumstances and the economic climate in the area at the time, DRA may exercise its right to enforce the terms of the agreement.

16. What type of documentation can be provided to demonstrate a federal debt has been paid?

The Internal Revenue Service can provide an account statement showing a zero balance. This would be sufficient for DRA purposes.