

# Regional Development Initiative

Program Guidelines | July 2008

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# Section I – General

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## A. Introduction

The Regional Development Initiative Program provides grants for projects furthering regional community and economic development that, in the judgment of the Department of Community and Economic Development (DCED), comply with the authorizing legislation and these program guidelines, and meet all requirements of the DCED Single Application for Assistance.

## B. Definitions

The following words and terms, when used in these guidelines, have the following meanings, unless the context clearly indicates otherwise:

- **Application** - The DCED Single Application for Assistance
- **DCED** - The Department of Community and Economic Development

## C. Eligibility

### 1. Eligible Applicants

The following are eligible for grants:

- Local government units.
- Municipal, redevelopment, industrial and economic development authorities and agencies.
- Non-profit organizations incorporated under the laws of the Commonwealth.
- Community organizations engaged in activities consistent with program guidelines, as determined by DCED (See Sections 2, and 3 below).

### 2. Eligibility of Projects

Funds may be used for regional community and economic development projects consistent with the authorizing appropriation.

a. Eligible projects must meet one or more of the following criteria:

- Improve the stability of the community;
- Promote economic and/or community development;
- Improve existing and/or develop new civic, cultural, recreational, industrial and other facilities or activities.
- Assist in business retention, expansion, creation or attraction;
- Promote the creation of jobs and employment opportunities;
- Enhance the health, welfare and quality of life of citizens of this Commonwealth.
- Advance the purposes of budget appropriations

b. Projects for the sole benefit of a for-profit entity are not eligible for program funding.

c. Grants may not be used to fund revolving loan programs unless approved by DCED.

- d. Repayment of debt not incurred as the direct result of the “project” is an ineligible use. Indebtedness incurred prior to July 1 of the fiscal year in which the grant is approved may be deemed by DCED to constitute indebtedness incurred as the direct result of the project and therefore an ineligible use.

### 3. Conditions on Certain Grantees

#### a. Private Clubs and Organizations (Rotary, Elks, Homeowners Associations, etc.)

##### 1) Eligibility of Applicant

- a) Must be a not-for-profit organization.
- b) May not discriminate on the basis of race, creed, color, place of national origin, or sexual preference in accepting members or selecting participants. Appropriate qualifications for program participation and benefits such as age or income level may be established by the Grantee.

##### 2) Eligibility of Projects

- a) Equipment, supplies food and other operational expenses for use in community activities such as parades, tournaments, etc. are fundable.
- b) Program expenses for community service programs, including parades, tournaments, educational, social and cultural projects, etc. are fundable.
- c) Erection and maintenance of public memorials in public places is fundable.
- d) Construction/renovations to a club facility are fundable only if the club can demonstrate that it holds a significant number of community events at the facility, which events are open to the public with no entry fee or with a nominal fee and/or which facility is made available to community groups for their programs free of charge or at a discounted rate.

#### b. Religious Organizations (schools, churches, etc.).

- 1) No funds may be used for religious purposes, including but not limited to religious observances, tuition, scholarships or other financial assistance to, or administrative expenses of, parochial schools including charters schools that advance religious education, except as otherwise permitted in this Section.
- 2) Equipment, supplies (e.g. playground and sports equipment, supplies or other consumables) and community outreach programs with no religious component are fundable.
- 3) Construction or renovations to a facility owned or leased by a religious organization are not fundable unless the facility to be constructed or renovated is to be used exclusively for non-religious activities for the "useful life" of the construction or renovation.
- 4) Capital improvements to the exterior of church-owned buildings may be funded only if the building has been determined eligible for listing or is already listed in the National Register of Historic Places under the provisions of the National Historic Preservation Act of 1966 (16 U.S.C.S. §§470 et. seq.).

#### c. Fiduciary Organization.

A grantee is a Fiduciary Organization if all or a portion of the requested funds are to be used by any organization other than the grantee itself. In such cases the following conditions shall be applicable.

- 1) The Fiduciary Organization must demonstrate that it and any proposed sub-grantees are eligible applicants.

- 2) A Fiduciary Organization must provide a grant narrative and budget covering funds to be expended by the grantee and all sub-grantees. Alternatively, the Fiduciary Organization may provide in its narrative and budget the guidelines, uses and budgets under which sub-grants will be made and utilized.
- 3) All projects to be undertaken by sub-grantees must be eligible under these guidelines.
- 4) For sub-grants of \$5,000 or more, prior to disbursing grant funds to sub-grantees, the Fiduciary Organization must provide DCED with copies of all written sub-grant agreements, as well as proof of sub-grantees' eligibility under these guidelines.
- 5) A Fiduciary Organization must submit to the Department a closeout report or audit (if grant exceeds \$100,000) for all grant funds expended by the grantee and each sub-grantee. Failure to do so will make the Fiduciary Organization and any sub-grantee not providing required documentation of expenditures ineligible for further financial assistance from DCED. A sub-grantee may submit its own closeout or audit report to avoid such ineligibility.
- 6) The Fiduciary Organization is responsible for ensuring that grant funds are used by sub-grantees for eligible purposes in accordance with the approved budgets. Fiduciary Organizations shall not receive administrative or management fees from sub-grant funds.
- 7) The Fiduciary Organization shall establish and utilize guidelines to evaluate a sub-grantee's eligibility for financial assistance. The guidelines shall include, at a minimum, the following:
  - a) The sub-grantees benefit demographics (age group, special needs, economic status);
  - b) The sub-grantees credit history, including financial statements and tax returns, if available;
  - c) The sub-grantees' program goals; and
  - d) A budget outlining the use of the Grant Funds and the sources of any additional funding utilized by the sub-grantee.
- 8) An organization that has chapters, offices, or other entities that operate under the general direction of the parent organization (e.g. Boys and Girls Clubs, YMCA's, Special Olympics) will not be considered a "Fiduciary Organization" and may submit a single comprehensive program and budget narrative and closeout report or audit.
- 9) The DCED Office of Chief Counsel will make final determination of an organization's eligibility and capacity to serve as a fiduciary organization under these guidelines.

## Section II – The Application Process

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### A. General

1. Project applications must be submitted using the DCED Electronic Single Application for Assistance via [www.newPA.com](http://www.newPA.com) or <http://www.newPA.com/programFinder.aspx>. Paper applications are no longer acceptable. Electronic applications will be accepted throughout the fiscal year, up to the March 20, 2009 submission deadline, subject to the provisions of Section II. B. below.
2. An applicant must follow the detailed instructions for completing the DCED Electronic Single Application for Assistance:
  - Description of applicant, including general purpose or mission statement.
  - Identification of the need for assistance and the organization's project goals.
  - Identify measurable outcomes including jobs created or retained, number of people trained, land or buildings acquired and or renovated, etc.
  - Project Schedule with key milestones and dates.
  - Documentation to support projected budget costs. Note: A detailed scope of services must be submitted with the application for any consulting, legal or accounting fees included in the project budget.
  - Documentation of matching dollars, such as commitment letters, receipts, etc.
  - Religious disclaimer assuring that the DCED funds will not be used for religious purposes.
3. DCED reserves the right to request additional information, explanation, clarification or revision of funding requests or to waive the requirements for certain information in appropriate cases.

### B. Procedures

1. Grant awards are generally made throughout three funding rounds during the fiscal year. DCED will grant approximately 1/3 of the program appropriation in each round. Under special circumstances DCED may make other grants throughout the year.
  - a. Grant applications not funded in a particular round will be considered in future rounds in the same fiscal year.
  - b. Application deadlines and tentative announcement dates for each round are:

<b><u>Funding Round</u></b>	<b><u>Application Deadline Date</u></b>	<b><u>Target Announcement Date</u></b>
Round 1	September 19, 2008	November 2008
Round 2	December 19, 2008	February 2009
Round 3	March 20, 2009	May 2009

Target grant announcement dates are subject to change without notice at the discretion of the Department.

2. Successful applicants for projects that funded during the fiscal year will be notified of such during the fiscal year of application. Unsuccessful applicants must submit a new application to be considered for funding in the following fiscal year.

3. Information on the status of submitted grant applications may be obtained from the DCED Customer Service Center. An "assignment of account manager" letter constitutes confirmation of receipt of the application.
4. Grant award notifications will be issued by letter. The applicant will receive a contract and a payment requisition form to be signed and returned to DCED. All contracts are subject to availability of funds and subject to the applicant providing all information required by DCED.
5. The applicant must maintain full and accurate records with respect to the project. DCED must have complete access to such records (including invoices for goods and services and other relevant data and records) as well as the right to inspect all project work. The applicant will promptly furnish all data, reports, contracts, documents, and other information requested by DCED.
6. Every approved grant in the amount of \$100,000 or more requires the grantee to provide a project audit prepared by an independent certified public accountant in accordance with generally accepted accounting principles. The Single Audit performed for Federal audit purposes (A133) is not acceptable.
7. Grants under \$100,000 require the grantee to submit a Closeout Report with appropriate supporting documentation verifying the expenditures of State funds consistent with the approved contract budget.
8. Applications from organizations that are not compliant with audit or closeout report requirements for prior contracts with DCED are ineligible to receive additional financial assistance from DCED until such audit or closeout report requirements are met.
9. Funds will be directly deposited in grantees' bank accounts via Automatic Clearing House (ACH) transfer of funds in accordance with the grant contract.
10. The grantee shall, upon request by the Department, provide copies of deliverables for budgeted consulting services, including but not limited to legal, engineering, accounting, planning, etc.

## **Section III – Limitations and Penalties**

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- A. An applicant may not make or authorize any substantial change to an approved project without first obtaining DCED's consent in writing.
- B. If the full amount of the grant is not required for the project, the unused portion shall be returned to DCED.
- C. Failure to comply with these Guidelines may result in penalties, including repayment of funds with interest.
- D. When a project is funded, the recipient must place the grant funds in an interest bearing account. Interest earned on such invested grant funds must be returned to the Commonwealth.

## **Section IV – Contact Information**

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All application inquiries should be directed to:

PA Department of Community and Economic Development  
Customer Service Center  
Commonwealth Keystone Building  
400 North Street, 4th Floor  
Harrisburg, PA 17120-0225

1-866-466-3972

E-mail: [ra-dcedcs@state.pa.us](mailto:ra-dcedcs@state.pa.us)

Note: If you receive a funding notice from DCED, please direct any inquiries to the Account Manager identified in the notice. Also, please have the assigned application number available when you contact the Account Manager.



## Section V – Vendor Registration

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**Note:** Grantee organizations must be registered with the Commonwealth's Vendor Registration System before a grant may be approved. The system tracks information regarding all vendors that do business with or receive grant funds from the Commonwealth and assigns a Vendor Number to the organization. In the event an application is funded, the grantee must be registered in this system before a contract can be issued.

If you have any questions regarding Vendor Registration status, please contact the Vendor Data Management Unit at the address and phone number below. Please have your nine digit Federal Identification number available when you call.

Commonwealth of Pennsylvania  
Vendor Data Management Unit  
Payable Services Center  
9<sup>th</sup> Floor, Forum Place  
555 Walnut Street  
Harrisburg, PA 17101  
  
1-877-435-7363

If an organization is not registered with the Vendor Registration System, please visit <http://www.vendorregistration.state.pa.us>. Click on the Non-Procurement Registration Form link and follow the instructions.

The Single Application for Assistance will be accepted only as an on-line submission via <http://www.newPA.com/programFinder.aspx> found on DCED's website [www.newPA.com](http://www.newPA.com).