Section 4 Capacity Building Grants
Frequently Asked Questions - Rural & Native American RFP Webinar
Held August 27, 2020

ELIGIBILITY

1. **Are Community Development Financial Institutions (CDFIs) eligible?** CDFIs that meet the CDC criteria or are CHDOs are eligible to apply.

ALLOWABLE COSTS/ELIGIBLE ACTIVITIES

1. **Can funds be used to support salaries/staffing costs?** Yes, a request to use funds to hire new staff or support existing staff is allowable.

2. **Can the funds be used to preserve affordable single family homes as well as multi-family homes?** Yes, funds can be used to preserve both affordable single family and multi-family homes.

3. **Are affordable housing predevelopment expenses eligible expenses?** Yes, predevelopment expenses are allowable.

4. **Can the grant be used on renovation expenses or for the purchase of construction materials?** As written, Enterprise cannot answer this question as the allowability depends on the nature of the renovation activities and the types of construction materials being requested. Refer to Appendix O of Enterprise’s Grants Guide to review the Federal Provisions that govern the award, including Environmental Regulations that should be taken into consideration for any proposed activity that may impact or alter the environment. Enterprise will not fund any requests for activities that impact or alter the environment without proper documentation from the Applicant’s local HUD office either confirming: 1) that the activities either do not require further environmental review or 2) have satisfactorily secured appropriate approvals. As a reminder, all grant funds must directly build the capacity of the Applicant.

5. **On page 14 of the RFP, it says that Direct/indirect construction costs are not eligible costs however, there is a note that they may be eligible if local HUD reviews and approvals are secured.** As noted in Questions 1 and 2, Section 4 grant funding is subject to compliance with related environmental laws and authorities per 24 CFR Part 50. Enterprise will not fund any requests for activities that impact or alter the environment without proper documentation from the Applicant’s local HUD office either confirming: 1) that the activities either do not require further environmental review or 2) have satisfactorily secured appropriate approvals. It is Enterprise’s recommendation that grant funds are not used to support direct or indirect construction expenses. Please keep in mind that all proposed activities must directly build the capacity of the Applicant.

GENERAL QUESTIONS
1. **Is there a set disbursement schedule?** As the grant program disburses funds on a cost reimbursement basis, Enterprise does not have a set disbursement schedule. However, the expectation is that Grantees incur costs and request reimbursements in a timely manner to show that their programs are progressing.

2. **How long does it take Enterprise to issue payment once a disbursement has been submitted?** Enterprise requests at least 30 days to process payments. This is detailed in the Standard Terms and Conditions that each Grantee receives with their grant agreement package. While most payments do not take 30 days to issue, each disbursement goes through internal review to ensure compliance with federal requirements and programmatic progress against activities and outcomes as approved under the Grantee’s scope of work.

3. **Can an Applicant apply to more than one Program Area?** Yes, Applicant proposals may overlap over more than one Program Area as listed in the RFP.

4. **If we're having trouble receiving our updated audit due to Covid delays, can we submit an IRS 990 to satisfy the requirement?** Yes, you may submit either an IRS 990 or submit your prior year’s audit.

5. **If our organization is recommended for an award, is it possible that we’ll receive less than what we asked for?** Yes, it is possible that those recommended for an award will receive less than what was requested. In these instances, Enterprise will contact the applicant to ask for a revised scope of work and budget to reflect the award amount.

6. **Do we need to diversify our funds in the budget or is it ok to list a single line item, like salaries?** No, you do not need to diversify your requested budget line items. If your organization needs funding to support only salaries, it is acceptable to list only salaries if that has been identified as a capacity building need for your organization.

7. **What is a certificate of good standing?** A certificate of good standing certifies that a company is properly registered with the state, is up to date on all state registration fees and required document filings and is legally permitted to engage in business activities in the state. In some states, it is called a certificate of status or certificate of existence. Most Applicants can register for this Certification through their Secretary of State.