

WILLOWS UNIFIED SCHOOL DISTRICT
Office of the Superintendent

Date: August 6, 2015

Request For Placement on Board Agenda:

**AGENDA TOPIC: United States Department of Agriculture –
Rural Development (USDA-RD) \$10,000.00
Grant**

PRESENTER: Debby Beymer, Director of Business Services

Informational Item:

A funding application has been submitted and conditionally approved for a \$10,000.00 USDA-RD grant to complete the purchase and construction of the greenhouse that will be located at Willows High School.

The estimated costs and revenue sources are outlined on page 2 of the Letter of Conditions dated July 20, 2015.

Funding will be made available in the 2015-16 fiscal year.

LETTER OF INTENT TO MEET CONDITIONS

Date 07-20-2015

TO: United States Department of Agriculture

Rural Development

(Name of USDA Agency)

150-D Chuck Yeager Way
Oroville, CA 95965

(USDA Agency Office Address)

We have reviewed and understand the conditions set forth in your letter dated 07-20-2015. It is our intent to meet all of them not later than 07-20-2016.

Willows Unified School District/Ag. Dept

BY Amanda Samons (Name of Association)

Amanda Samons, Agriculture Dept. Chair

(Title)

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0015, 0570-0021, 0570-0061, 0570-0062 and 0572-0137. The time required to complete this information collection is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

REQUEST FOR OBLIGATION OF FUNDS

INSTRUCTIONS-TYPE IN CAPITALIZED ELITE TYPE IN SPACES MARKED () Complete Items 1 through 29 and applicable Items 30 through 34. See FMI.			
1. CASE NUMBER ST CO BORROWER ID 04-011-081619785		LOAN NUMBER 01	FISCAL YEAR 2015
2. BORROWER NAME Willows Unified School District		3. NUMBER NAME FIELDS 3 (1, 2, or 3 from Item 2)	
Willows High School Agriculture Dept./		4. STATE NAME California	
FFA		5. COUNTY NAME Glenn	
GENERAL BORROWER/LOAN INFORMATION			
6. RACE/ETHNIC CLASSIFICATION 1 - WHITE 2 - BLACK 3 - AMIAN 4 - HISPANIC 5 - API	7. TYPE OF APPLICANT 1 - INDIVIDUAL 2 - PARTNERSHIP 3 - CORPORATION 4 - PUBLIC BODY 5 - ASSOC. OF FARMERS 6 - ORG. OF FARMERS 7 - NONPROFIT-SECULAR 8 - NONPROFIT-FAITH BASED 9 - INDIAN TRIBE 10 - PUBLIC COLLEGE/UNIVERSITY 11 - OTHER	8. COLLATERAL CODE 1 - REAL ESTATE SECURED 2 - REAL ESTATE AND CHATTEL 3 - NOTE ONLY OR CHATTEL ONLY 4 - MACHINERY ONLY 5 - LIVESTOCK ONLY 6 - CROPS ONLY 7 - SECURED BY BONDS 8 - RLF ACCT	9. EMPLOYEE RELATIONSHIP CODE 1 - EMPLOYEE 2 - MEMBER OF FAMILY 3 - CLOSE RELATIVE 4 - ASSOC.
10. SEX CODE 1 - MALE 2 - FEMALE 3 - FAMILY UNIT 4 - ORGAN. MALE OWNED 5 - ORGAN. FEMALE OWNED 6 - PUBLIC BODY	11. MARITAL STATUS 1 - MARRIED 2 - SEPARATED 3 - UNMARRIED (INCLUDES WIDOWED/DIVORCED)	12. VETERAN CODE 1 - YES 2 - NO	13. CREDIT REPORT 1 - YES 2 - NO
14. DIRECT PAYMENT (See FMI)	15. TYPE OF PAYMENT 1 - MONTHLY 2 - ANNUALLY 3 - SEMI-ANNUALLY 4 - QUARTERLY	16. FEE INSPECTION 1 - YES 2 - NO	
17. COMMUNITY SIZE 1 - 10,000 OR LESS (FOR SFH AND HPG ONLY) 2 - OVER 10,000		18. USE OF FUNDS CODE (See FMI)	
COMPLETE FOR OBLIGATION OF FUNDS			
19. TYPE OF ASSISTANCE 237 (See FMI)	20. PURPOSE CODE	21. SOURCE OF FUNDS	22. TYPE OF ACTION 1 - OBLIGATION ONLY 2 - OBLIGATION/CHECK REQUEST 3 - CORRECTION OF OBLIGATION
23. TYPE OF SUBMISSION 1 - INITIAL 2 - SUBSEQUENT	24. AMOUNT OF LOAN	25. AMOUNT OF GRANT \$10,000.00	
26. AMOUNT OF IMMEDIATE ADVANCE	27. DATE OF APPROVAL MO DAY YR	28. INTEREST RATE %	29. REPAYMENT TERMS
COMPLETE FOR COMMUNITY PROGRAM AND CERTAIN MULTIPLE-FAMILY HOUSING LOANS			
30. PROFIT TYPE 3 - LIMITED PROFIT 1 - FULL PROFIT 3 - NONPROFIT			
COMPLETE FOR EM LOANS ONLY		COMPLETE FOR CREDIT SALE-ASSUMPTION	
31. DISASTER DESIGNATION NUMBER (See FMI)	32. TYPE OF SALE 1 - CREDIT SALE ONLY 2 - ASSUMPTION ONLY 3 - CREDIT SALE WITH SUBSEQUENT LOAN 4 - ASSUMPTION WITH SUBSEQUENT LOAN		
FINANCE OFFICE USE ONLY		COMPLETE FOR FP LOANS ONLY	
33. OBLIGATION DATE MO DA YR	34. BEGINNING FARMER/RANCHER (See FMI)		

If the decision contained above in this form results in denial, reduction or cancellation of USDA assistance, you may appeal this decision and have a hearing or you may request a review in lieu of a hearing. Please use the form we have included for this purpose.

Position 2

ORIGINAL - Borrower's Case Folder COPY 1 - Finance Office COPY 2 - Applicant/Lender COPY 3 - State Office

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0570-0062. The time required to complete this information collection is estimated to average 15 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

CERTIFICATION APPROVAL

For All Farmers Programs

EM, OL, FO, and SW Loans

This loan is approved subject to the availability of funds. If this loan does not close for any reason within 90 days from the date of approval on this document, the approval official will request updated eligibility information. The undersigned loan applicant agrees that the approval official will have 14 working days to review any updated information prior to submitting this document for obligation of funds. If there have been significant changes that may affect eligibility, a decision as to eligibility and feasibility will be made within 30 days from the time the applicant provides the necessary information.

If this is a loan approval for which a lien and/or title search is necessary, the undersigned applicant agrees that the 15-working-day loan closing requirement may be exceeded for the purposes of the applicant's legal representative completing title work and completing loan closing.

35. COMMENTS AND REQUIREMENTS OF CERTIFYING OFFICIAL

Subject to terms specified in the Letter of Conditions dated July 20, 2015.

36. I HEREBY CERTIFY that I am unable to obtain sufficient credit elsewhere to finance my actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms in or near my community for loans for similar purposes and periods of time. I agree to use the sum specified herein, subject to and in accordance with regulations applicable to the type of assistance indicated above, and request payment of such sum. I agree to report to USDA any material adverse changes, financial or otherwise, that occur prior to loan closing. I certify that no part of the sum specified herein has been received. I have reviewed the loan approval requirements and comments associated with this loan request and agree to comply with these provisions.

(For FP loans at eligible terms only) If this loan is approved, I elect the interest rate to be charged on my loan to be the lower of the interest rate in effect at the time of loan approval or loan closing. If I check "NO", the interest rate charged on my loan will be the rate specified in Item 28 of this form. YES NO

WARNING: Whoever, in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies, conceals or covers up by any trick, scheme, or device a material fact, or makes any false, fictitious or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be fined under this title or imprisoned not more than five years, or both."

Date July 22, 2015, 20

Mort Geivett, Ed. D., Superintendent (Signature of Applicant)

Date, 20

(Signature of Co-Applicant)

37. I HEREBY CERTIFY that all of the committee and administrative determinations and certifications required by regulations prerequisite to providing assistance of the type indicated above have been made and that evidence thereof is in the docket, and that all requirements of pertinent regulations have been complied with. I hereby approve the above-described assistance in the amount set forth above, and by this document, subject to the availability of funds, the Government agrees to advance such amount to the applicant for the purpose of and subject to the availability prescribed by regulations applicable to this type of assistance.

(Signature of Approving Official)

Typed or Printed Name:

Date Approved: Title:

38. TO THE APPLICANT: As of this date, this is notice that your application for financial assistance from the USDA has been approved, as indicated above, subject to the availability of funds and other conditions required by the USDA. If you have any questions contact the appropriate USDA Servicing Office.



United States Department of Agriculture

Rural Development

July 20, 2015

Oroville Office

150-D Chuck Yeager
Way
Oroville, CA 95965

Voice: 530.533-4401
X123
Fax: 844-206-7013
TDD: 530-206-7013

LETTER OF CONDITIONS

Amanda Samons
Agriculture Department Chair
Willows Unified School District/ Willows High School Agriculture Dept./FFA
203 N. Murdock Avenue
Willows, CA 95988

Subject: Application for a USDA Rural Development Community Facilities Grant
to Willows High School Agriculture Department

Dear Ms. Samons:

This letter establishes conditions that must be understood and agreed to by the applicant before further consideration may be given to their application. Any changes in project cost, source of funds, scope of services or any other significant change in the project or applicant must be reported to and approved by USDA Rural Development by written amendment to this letter. Any change not approved by USDA Rural Development will be cause for discontinuing processing of the application.

This letter is not to be considered as grant approval or as representation to the availability of funds. The application can be processed on the basis of a USDA Rural Development grant not to exceed \$10,000.00. Funds for this project are provided by the Rural Housing Service (RHS).

Please complete and return the attached Form RD 1942-46, "Letter of Intent to Meet Conditions," and Form RD 1940-1, "Request for Obligation of Funds," within the next ten (10) days, if you desire that we give further consideration to your application. The execution of these and all other documents required by USDA Rural Development must be authorized by appropriate resolutions of the applicant's governing body.

The grant will be considered approved on the date Form RD 1940-1, "Request for Obligation of Funds," is mailed by USDA Rural Development

USDA is an equal opportunity provider and employer.

If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form (PDF), found online at http://www.ascr.usda.gov/complaint_filing_cust.html, or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter to us by mail at U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, by fax (202) 690-7442 or email at program.intake@usda.gov.

Based on Standard Form 424, "Application for Federal Assistance," the project cost and funding will be as follows:

a.	<u>Project Cost</u>	
	<u>Equipment from Agritech Quote dated 6/2/2015</u>	
	Item #1 – 1 Range(s) of North Slope 30 12/90C CPC 6' Eave x 36' x 6' on Center CPC Terminated into soil	\$ 5,070.00
	Item #4 – GT corrugated Plycarbonate Solarsoft 85	\$ 4,092.00
	Item #12 – 1 Cooling Pad System Equipment	\$ 860.00
	Misc. Equipment for Greenhouse	\$ 9,578.00
	Footings	\$ 3,000.00
	Installation	\$ 4,900.00
	Bench Material	\$ 2,500.00
	<u>TOTAL:</u>	<u>\$ 30,000.00</u>
b.	<u>Source of Funds</u>	
	USDA Grant	\$ 10,000.00
	Specialized Ag Incentive Grant 14/15	\$ 10,000.00
	Wilbur-Ellis Construction	\$ 5,000.00
	Ag Incentive Grant 15/16	\$ 2,000.00
	CTE Manufacturing Pathway Grant	\$ 3,000.00
	<u>TOTAL:</u>	<u>\$ 30,000.00</u>

I. THE FOLLOWING CONDITIONS (ITEMS 1—11) WILL BE SATISFIED PRIOR TO ADVANCING GRANT FUNDS BUT NO LATER THAN ONE (1) YEAR FROM THE DATE OF THIS LETTER. IN THE EVENT THE CONDITIONS HAVE NOT BEEN MET WITHIN ONE (1) YEAR, USDA RURAL DEVELOPMENT RESERVES THE RIGHT TO DISCONTINUE THE PROCESSING OF THE APPLICATION.

1. **Grant Agreement**—The applicant will be required to execute and complete Form RD 3570-03, “Agreement for Administrative Requirements for Community Facilities Grants” at the time of grant closing.
2. **Civil Rights & Equal Opportunity**—You should be aware of and will be required to comply with other Federal statute requirements including but not limited to:
 - a. Section 504 of the Rehabilitation Act of 1973.
 - b. Civil Rights Act of 1964.
 - c. The Americans with Disabilities Act (ADA) of 1990.
 - d. Age Discrimination Act of 1975.

Rural Development financial programs must be extended without regard to race, color, religion, sex, national origin, marital status, age, or physical or mental handicap.

The applicant is subject to a pre-grant closing civil rights compliance review by USDA Rural Development.

As a recipient of Rural Development funding, you are required to post a copy of the Non-Discrimination Statement listed below in your office and include in full, on all materials produced for public information, public education, and public distribution both print and non-print.

Non-Discrimination Statement

“This institution is an equal opportunity provider and employer”.

If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form, found online at http://www.ascr.usda.gov/complaint_filing_cust.html, or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter to us by mail at U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, by fax (202) 690-7442 or email at program.intake@usda.gov . “

3. **Written Agreements for Professional Services**—Professional services of the following may be necessary: Attorney, auditor, architect, engineer, environmental professional, and financial advisor. Contracts or other forms of agreements for these services will be developed by the applicant and presented to the Agency for review and concurrence.
4. **Land and Rights-of-Way** —The applicant must present satisfactory evidence that they have obtained, or can obtain, any and all lands, rights-of-way, easements, permits and franchises. The following forms are to be used for these purposes:
 - a. Form RD 442-21, "Right-of-Way Certificate" (with map attached)
 - b. Form RD 442-22, "Opinion of Counsel Relative to Rights-of-Way"
5. **Insurance and Bonding Requirements**—The applicant must provide evidence of adequate insurance coverage. It is the responsibility of the applicant and not that of USDA Rural Development to assure that adequate insurance is maintained.
6. **Environmental Reviews**—USDA Rural Development projects are subject to NEPA environmental reviews. During any stage of project development, including construction, should environmental issues develop which require mitigation measures, USDA Rural Development applicants are required to notify USDA Rural Development and comply with such mitigation measures. Failure by an applicant to implement mitigation measures may disqualify the project from Agency funding. Mitigation measures identified or prepared by you as part of the CEQA and NEPA environmental process must be implemented. Mitigation measures which must be followed per USDA Rural Development's Environmental Assessment are: N/A Categorical Exclusion
7. **Planning, Bidding, Contracting, and Procuring**—All development will be completed by contract. Planning and performing development will be carried out in accordance with subsections 1942.9 and 1942.18 of RD Instruction 1942-A. USDA approved construction contracts must be used on any contract over \$10,000. Equipment purchases are exempt from these requirements.
8. **Electronic Funds Transfer**—All USDA grant funds will be transferred to borrowers via Electronic Funds Transfer/Automated Clearinghouse Systems (EFT/ACH). Normal transfers will be ACH, with money being placed in applicant's account two days after the USDA processing office approves the pay request. The applicant must submit the Electronic Funds Transfer Form containing the banking (ACH) information to the USDA Servicing Office at least 30 days prior to the date of grant closing. Failure to do so could delay grant closing.
9. **Grant Closing**—The grant will be closed in accordance with USDA Rural Development Instructions subject to the availability of funds and this Letter of Conditions.

10. **Use and Disposition Requirements**—The grantee understands that any property acquired or improved with Federal grant funds may have use and disposition conditions which apply to the property as provided by 7 CFR parts 3015, 3016, or 3019 in effect at this time and as may be subsequently modified.

The grantee understands that any sale or transfer of property is subject to the interest of the United States Government in the market value in proportion to its participation in the project as provided by 7 CFR parts 3015, 3016, or 3019 in effect at this time and as may be subsequently modified.

11. **Central Contractor Registration and Universal Identifier Requirements**—You as the recipient must maintain the currency of your information in the Central Contractor Registration (CCR) until you submit the final financial report required under this award and all grants funds under this award have been disbursed or de-obligated, whichever is later. This requires that you review and update the information at least annually after the initial registration, and more frequently if required by changes in your information or another award term. Recipients can register on-line at (<https://www.sam.gov>).

You as the recipient may not make a sub-award to an entity unless the entity has provided its Data Universal Numbering System (DUNS) number to you. Sub-recipients with sub-awards of \$25,000 or more must also have and maintain a current CCR registration.

II. GRANT CONDITIONS TO BE SATISFIED DURING PROJECT DEVELOPMENT

1. **Disbursement of Grant Funds**

- a. USDA Rural Development funds will not be provided before the applicant has complied with the approval conditions in this letter.
- b. The applicant will provide evidence that funds from other sources will be made available for the project cost in the amount of \$20,000.00. An agreement between the applicant and other funding sources on how funds are to be disbursed will be provided to the USDA Rural Development.
- c. The applicant's contribution of funds toward the project cost shall be considered the first funds expended and must be deposited in an account before proceeding with the project.
- d. USDA Rural Development funds will be advance as they are needed, or on a reimbursement basis, in the amount(s) necessary to cover the Rural Development proportionate share of the obligation due and payable to the Grantee.
- e. Interest earned on grant funds in excess of \$250 for Nonprofits and \$100 for Public Bodies per year will be submitted to Rural Development at least quarterly, as required in 7CFR3019 / 7CFR3016 as applicable.

2. **Inspections**—If the project includes construction, a resident inspector is required. The inspection reports must be available to USDA Rural Development for review at any time. These reports must be kept at the project site or borrower's office if nearby.
3. **Monthly Reporting**—The applicant must monitor and provide a monthly reports to USDA Rural Development on actual performance for each project financed, or to be financed, in whole or in part with USDA Rural Development funds. For construction projects, include Forms RD 1924-18, "Partial Payment Estimate"; RD 1924-7, "Contract Change Order"; SF-271, "Outlay Report and Request for Reimbursement for Construction Programs"; and Project Daily Inspection Reports for construction projects. For non-construction projects, Form SF-270, "Request for Advance or Reimbursement," will be submitted with paid invoices.
4. **USDA Rural Development Inspections**—USDA Rural Development will monitor recipients, as it determines necessary, to assure that projects are completed in accordance with the approved scope of work and that the financial assistance is expended for approved purposes. A final inspection will be made on the component USDA is financing before final payment is made.
5. **Excess Funds**— After 60 days of providing for all authorized costs, any remaining grant funds may be cancelled by USDA Rural Development without further notification.

III. GRANT CONDITIONS TO BE SATISFIED AFTER PROJECT COMPLETION

1. **Financial Statements**—To be submitted on an annual basis in accordance with the following:
 - a. A borrower that expends \$750,000 or more in federal financial assistance per fiscal year shall submit an audit performed in accordance with the requirements of OMB Circular A-133. As described above, the total federal funds expended from all sources shall be used to determine federal financial assistance expended. For Community Facility Projects in years after the funds are expended, principal and interest balances are not considered as federal funds. Projects financed with interim financing are considered federal expenditures. OMB Circular A-133 audits shall be submitted no later than 9 months after the end of the fiscal year.
 - b. For local governments and Indian tribes, an audit in accordance with State or local law or regulation or regulatory agency requirements must be submitted when you expend less than \$750,000 in Federal financial assistance per fiscal year. These audits shall be submitted to USDA no later than 150 days after the end of the borrower's fiscal year:
 - c. All borrowers exempt from USDA audit requirements and who do not otherwise have annual audits, will within 60 days following the end of the borrower's fiscal year furnish USDA with annual financial statements, consisting of a verification of the organization's balance sheet and statement of income and expenses.

2. **Audit agreement**—If you are required to obtain the services of a licensed Certified Public Accountant (CPA), you must enter into a written audit agreement with the auditor. The audit agreement may include terms and conditions that you and auditor deem appropriate.

If you have any questions, feel free to contact this office.

Sincerely,



Colleen Crowden
Area Specialist

cc: Anita Lopez, Community Programs Director, USDA Rural Development, Davis