

Minnesota Small Business Assistance Partnership Grants Request for Proposals

Frequently Asked Questions

Updated 8/19/2025 – more updates to come

1. How far along in the planning does the project need to be apply for grant?

This is not intended to be a planning grant. The expectation is that awardees will be able to begin using the funds to implement the project within a reasonable time frame upon execution of a grant agreement.

2. What is the appropriate organization to use for our Lead Applicant?

The lead applicant must also act as the fiscal agent for the grant and have the capacity and expertise to receive funds, make payments, monitor project expenditures, and manage the overall project.

3. Can the lead applicant be a 501(c) 4 or 6?

No. Nonprofit organizations applying for these funds must be 501(c)3 nonprofit organizations.

4. When are grant funds disbursed?

Grant funds are disbursed on a reimbursement basis, and no payment will be made until a grant agreement is fully executed between DEED and the grantee.

5. Will there be funding available in future fiscal years?

This is onetime appropriation in State Fiscal Year 2024 and 2025. The legislature may or may not approve additional funding in future legislative sessions.

6. Is the minimum match requirement?

No. However proposals will be evaluated and scored, in part, based on the proposals demonstration of leveraging state funds for maximum impact.

7. Can federal funds be used as match?

Yes.

8. Can state funds be used as match?

No. Any other state funds used as a part of this project must be identified. It does not count as match.

9. Can matching funds be expended before an award and executed grant agreement?

No. Matching funds must be expended after the execution of a grant agreement. All project expenses that happen before a grant agreement is executed cannot be counted as match or

10. Who is required to submit a Pre-award Risk Assessment?

Only non-profit organizations.

11. Our organization receives state funding from other sources for this project or similar projects. Are we still eligible to apply for and receives these funds?

Yes. However, in your application identify any other state funding sources being used for this project or that your organization receives. Should your proposal be awarded a grant it may affect the final amount of the award to be determined at the discretion of the Commissioner of DEED.

12. How does DEED define “Collusion” when it comes to submitting a proposal.

The proposals have been submitted to DEED without collusion with and without any agreement, understanding or planned common course of action with any other Responder of materials, supplies, equipment, or services described in the Request for Proposals, designed to limit fair and open competition.

That the contents of the proposal have not been communicated by the Responder or its employees or agents to any person not identified as a programmatic or financial partner in the project.

13. Does the owner themselves count towards the job created count for new start-ups?

Yes.

14. Can newly created organizations apply for these funds?

Newly created organizations are not excluded from this program. However, the proposal will have to demonstrate scale and capacity to administer these funds and implement a program consistent with the scale of the organization and experience key people responsible for implementing the program. In absence of an IRS 990 you can submit board-reviewed financial documents.

15. How many proposals does DEED expect to receive? How many awards will be made?

We expect to receive 50-70+ proposals and to make 10-28 awards.

16. What definition of "Rural" would be used and/or preferred for this SBAP grant?

For the following question, please use one of the following definitions of 'rural Minnesota' defined and linked below to answer this question.

- Definition A: Businesses/Individuals located outside of US Census designated metro or micropolitan designated counties: https://www2.census.gov/programs-surveys/metro-micro/reference-maps/2020/state-maps/27_Minnesota_2020.pdf
- Definition B: Businesses/Individuals located within census tracts or zip codes designated as not Metropolitan rural by USDA Rural-Urban Commuting Codes <https://www.ers.usda.gov/data-products/rural-urban-commuting-area-codes>
- Definition C: Businesses/Individuals located in a USDA designated area eligible for Business and Industry Guaranteed Loans. This is defined as any area that is not a city or town with a population greater than 50,000 inhabitants in an urbanized area contiguous and adjacent to such a city or town. <https://www.rd.usda.gov/programs-services/business-programs/business-industry-loan-guarantees>