



Frequently Asked Questions: Business Builder Sub-Awards

19 March 2025

I. **What do the Business Builder Sub-Awards fund?**

A. Generally, the Business Builder Sub-Awards fund post-harvest business activities for both for-profit and non-profit food and farm businesses making products for human consumption. For specific information, please see the “Business Builder Eligibility” section.

II. **When does this funding cycle open and close?**

A. The application portal opens Monday, February 24, 2025, at 4:00 pm ET. Applications will be accepted until Monday, April 7, 2025, at 5:00 pm ET. No late applications will be accepted.

III. **What is the maximum award amount per business?**

A. \$100,000 per business is the cap for the entire Business Builder Sub-Award program. This means businesses can receive up to \$100,000 in funding from all Regional Food Business Centers and across all funding rounds.

IV. **Do I need a cost share or match for this award?**

A. No, no cost share or match is required.

V. **What are some examples of businesses that are eligible for this funding?**

A. Any small- or mid-size food or farm businesses that are making or harvesting food for human consumption and participating in post-harvest activities. Depending on the funding track, farm and food businesses with \$1M or less in annual sales or \$350,000 or less in annual sales are eligible to apply. Eligible entities may include:

1. Start-up businesses
2. Farmers and ranchers
3. Aquaculture and wild-caught fisheries businesses
4. Meat processors

5. Food producers and value-added product producers
6. Aggregators and Distributors
7. Shared-used kitchens
8. Herb-growers or processors
9. Food businesses' training operations

B. Please note that this is not an exhaustive list.

VI. **What are some examples of items and activities that are eligible for funding?**

A. Generally, items and activities that support post-harvest business development and capacity building to increase market access are eligible. Some examples of this include:

1. Walk-in coolers and freezers
2. Commercial kitchen equipment
3. Post-harvest processing or food safety equipment
4. Marketing, product development or branding costs
5. Business planning or strategy planning
6. Packaging and labeling expenses

B. Please note that this is not an exhaustive list.

VII. **Can I receive an upfront payment for the award?**

A. These awards are mostly reimbursable funds, meaning you pay for expenses upfront, and then submit receipts or other acceptable documentation to the Business Builder Awards team. We review and approve the documentation, then issue payment. We will process payments as quickly as we can. Consider contacting a lender for a short-term loan.

VIII. **Will I have to report my activities if awarded?**

A. Yes, if you receive a Business Builder award, you are entering into an agreement where you commit to perform the activities in your application in order to receive the awarded funds. You will be required to sign an award letter and report on the activities outlined. Reporting will include proof of purchases you make with award funds and reporting outcomes of your award-funded activities.

IX. **Will I have to pay taxes on the award?**

A. Business Builder awards are considered taxable income and may be taxable income depending on tax status. Subawardees may wish to consult a tax professional because individual circumstances are unique. More information is

also available at the Farmers.gov resource page, ["Taxes for Farmers and Ranchers."](#)

- X. **How are applications evaluated?**
- A. All Business Builder competitive awards are reviewed according to the Scoring Rubric and following the evaluation process disclosed in the RFA.
- XI. **I have received other grants from USDA or other sources, can I still apply for a Business Builder grant?**
- A. Yes, there is no limit on other grants you may receive from USDA or other sources. Multiple grants cannot be used to fund the same work, purchases or activities. Each grant must have its own work plan and deliverables. Multiple grants are allowable for different phases of a project.
- XII. **Can I use a business builder grant to improve my farming operations (e.g., planting, cultivating)?**
- A. No, funds can only be used to improve the marketing and distribution of products after harvest – ‘from the farm gate to the plate.’ This program focuses on activities such as improving aggregation, cold chain storage and transport, value-added processing, branding and marketing, regional markets, etc.
- XIII. **How much funding is available per round?**
- A. \$10 million will be made available in this first funding round, with a total of \$16 million awarded across funding rounds.
- XIV. **Will the Northeast Regional Food Business Center assist with the application process?**
- A. The Center, along with program partners, will host a webinar and several information sessions providing an overview of the program, eligibility requirements, program priorities and the application process. These sessions will be recorded and made available on the Center’s website. Questions received during the webinar and information sessions will be responded to and included in a periodically updated FAQ sheet.
- XV. **Are refrigerated trucks, trailers or coolers an eligible expense?**
- A. Provided that their installation does not require breaking ground, they are an eligible expense.
- XVI. **Are unincorporated businesses able to apply for Business Builder awards?**

A. A business must be an incorporated entity to apply for a Business Builder award. This is because applicants need to have a Unique Entity Identifier (UEI) to accept funds, and the process through which a UEI is obtained requires businesses to have legal entity status.

XVII. **Can I apply for multiple pieces of equipment?**

A. Yes.

XVIII. **If I apply for Track 3, do I need to request both equipment and technical assistance?**

A. Not necessarily. Applicants can decide to request funds for special-purpose equipment and/or technical assistance expenses.

XIX. **Are non-profits eligible to apply for and receive a Business Builder award?**

A. Yes.