**Montgomery County Agriculture** **Microenterprise**

**Program (MCAMP) FAQs**

The MCAMP information session was held on March 12th at 7pm in the Montgomery County Annex Building. Below are questions that were asked about the program.

**How is the income limit determined for the grant? Is it net income after or before depreciation?**

The State and other Counties will use the number on the bottom of the 1040 form. That is from your personal tax return not the business’ tax return.

**Is the income determined by household income or by business income?**

The income you should be using is the household income not business income.

**How long do you need to keep the purchased equipment or materials bought through the grant?**

There is not a particular requirement on how long you need to keep the purchased equipment or materials brought through the grant, you just need proof of purchase.

**Can a business owner purchase equipment and materials prior to be awarded the grant for this growing season?**

If you purchase an item prior to executing your agreement with the County, that purchase will not be eligible for reimbursement through the grant. Only purchases made after the agreement is executed can count.

**Can a business owner lease/rent equipment and then purchase that equipment outright if awarded funding?**

If a business owner wants to lease/rent equipment prior to being awarded they can, but it is not guaranteed that everyone that applies will be awarded or qualify for the program. If an applicant is awarded and they were renting/leasing equipment, they can be reimbursed for purchasing that equipment after the executed agreement date, or can be reimbursed after the agreement date if they want to continue renting equipment and not purchase equipment.

**Can two separate businesses both apply for two separate grants and use the combined funding to purchase one item together?**

Businesses applying separately to buy a joint purchase would be not eligible. If they wanted to create a joint business and apply using that business then that could be funded and it would be considered a start-up business.

**A family owns a dairy farm and a creamery that are separate taxable businesses. Can both businesses, although owned by the same family, apply for two separate grants?**

Technically both businesses would be eligible if they are owned separately and have different tax ID’s, but it is not recommended to fund them both.

**It is difficult to find agriculture start up businesses that fit the State’s requirements of being less than 6 months established at the time of the application. How do other counties deal with this?**

Even if a farm has been in business for generations, the business can file for a DBA within 6 months of the application and they would be considered a new start-up business.

**If the business is creating a value added production off of the existing business, would this new business be considered a start-up?**

The new value added business could be considered a start-up business if the new business has its own separate Tax ID # and DUNS #. For example, an existing dairy farm wants to start a creamery, the creamery would have its own Tax ID # and DUNS #.

**If I go through the training process but my application is not selected will I have to go through training in another round if more funding is made available?**

If an applicant goes through the training process but is not selected for funding this round, they can apply for another round (if funding is made available) and do not have to retake the training classes. They may use their past certificate to apply in other funding rounds.

**My season is from May to October, if I hired someone to fulfill the grant requirements would that time period be acceptable for a FTE position?**

An applicant could consider hiring someone from May to October if that person does not have another job the rest of the year, then when they worked for you that would be considered full time. If they have another job the rest of the year then they would not be full time, they would be part time, but then you could hire 2 part time people during that time, to equal one full time position.

**Being that my business is an LLC, would this separate the farm from household?**

We are requesting both personal and business tax forms, but the determination will be made off of the personal income total. The business financials, or Form F, will have no bearing on LMI eligibility.

**Could I use the grant funding to pay for the employee?**

If you used the money to contract out to someone to do work, then yes, you could request funding to pay that person, but if your income is over the LMI threshold then you would still have to adhere to the hiring requirements. You could not request funding to then pay for the position that you need to hire with the grant.

**March 5, 2019 Questions-**

**I wanted to confirm that if we are creating a job for a LMI family, is seasonal work OK?  In reading the FAQs from last year it appears that it may be OK?  If so, does it go by number of hours worked?  For example 2000 hours?  If so can the employee work sporadically when needed, then continually for 5-6 months as long as they accumulate the number of hours throughout the year?  Or if hiring two part-time employees do they need to have a certain number of hours combined?  Until we are a bit larger, we may need help here and there through spring and summer, then solidly from May - December.**

So there are two things to look at here—seasonal employees and a seasonal business.  If the business will only be open seasonally, we would need to determine when their open or busy season is which sounds like it would  be May thru December.  For that busy season and the positions created, the breakdown for FTE’s would need to be determined as usual.  For instance, 1FT employee or 2PT @ 20hours each for May thru December.  Like I said before though, in order to count a seasonal position as job creation, it needs to be their **primary source of employment**.  To answer your question, we don’t use an hourly basis to determine this since it doesn’t really come up that frequently.  I know this can become super confusing, so just give me a call if that doesn’t make sense!

 **Also, if they are seasonal, can we hire them as an independent contractors or is it required to be on our books?**

 No—Independent contractors are not allowed, they do need to be on their books.

**For the LMI family, I'm assuming this is based on their gross income?  Or does it go by their Net income?**

This is based on the entire family’s adjusted gross income.

**I already have an LLC.  Do I still need the DBA?  I was looking it up and it appears that this would be for a business that does not want to operate under their name or legal business name.  Just wondering because I wouldn't really operate under a different business name.**

This doesn’t make any difference to us.  They are not required to have a DBA.

**I already have an EIN number from creating the LLC.  Since this is the number that identifies my business, I'm assuming I would not need a DUNS number?**

A DUNS number is required.

**Lastly, in reading through the guidelines and planning sheets, it mentions that funds are for equipment or fixtures/furniture.  At the meeting it sounded like funds are not for furniture.  I was looking for equipment, and possibly farm tables and lighting as well.  Should I not be asking for the tables or lighting?**

 Grants ARE intended for “working capital for equipment, furniture, fixtures, inventory and operation…” unfortunately, there is not anywhere that specifies about furniture/fixtures.  One definition that I found is this:  “Furniture, fixtures and equipment are movable furniture, fixtures, or other equipment that have no permanent connection to the structure of a building or utilities.  Examples include desks, chairs, computers, electronic equipment, tables, bookcases, and partitions.”  The kind of guideline that we are going by is that if the business were to close tomorrow, they are items that could easily be taken with them.  Like it states above, anything requiring connection to a permanent utility (ie. light fixtures, plumbing, electrical items) would NOT be eligible fixtures.  I know this can be a little bit more challenging when discussing Ag-ME’s, so if there are particular items I absolutely wouldn’t mind discussing further.

**You stated that "in order to count a seasonal position as job creation, it needs to be their primary source of employment" So does this mean that in our hiring process, we are not allowed to hire a person if they have another job, even if they still qualify as LMI and we hire them part time?  And if so, is that person not permitted to work another job during the off season???  Or what would deem this created position as their primary source of employment?**

**I have a couple people that helped out during our busy season but are employed elsewhere.  I have to do a little research but I believe they might fall under the LMI category, and I wanted to assess the feasibility of them coming on as a regular employee.**

This is a very specific scenario so I think that we would need some more information.  Is this the business that is open May thru December?  If so, we need to know how many employees they intend to have during that time, how many hours each would work.  I think in this case we may need to do a prorated calculation of their hours based on when the business is in operation.  If you can get the information above, maybe we can get a more definitive answer.  Sorry that’s not super helpful.

**\*\*\*\*If there are any other questions please email Alex Kuttesch** **akuttesch@co.montgomery.ny.us** **and they will be added to the list\*\*\***