

## **Applicant Questions about the Minnesota Investment Fund Answers to Frequently Asked Questions (FAQs)**

The Minnesota Investment Fund provides loans to help businesses expand and grow. DEED provides a grant to a local government organization that then provides a loan to the business. Like all lending programs, transactions are guided by state laws/guidelines and associated program requirements apply to all applications and financing transactions. It is important that the growing business and assisting organizations know and understand these requirements.

1. When can the business hire employees? **Hiring may begin at any time, but the business will get credit for only those new jobs that are filled after your DEED Loan Officer informs you that your application is complete. The employment base will be established as of the application completion date.**
2. What certifications do I need to sign as part of my application? **All businesses will sign a Prevailing Wage Certification, a Job Listing Certification and an Unemployment Insurance Consent Form, as applicable.**
3. When can I begin making purchases or begin construction? **MIF funds and the accompanying match dollars may be used only for expenditures occurring after the date of the official MIF Award Letter from the DEED commissioner. In other words, machinery and equipment funded by MIF funds or matching MIF funds may not be purchased prior to the award date. Likewise, if MIF is funding construction, construction may not begin until after the award date.**
4. How long do I have to complete my legal documents and agreements? **Businesses have 120 days from the Award Letter date to complete all legal documents related to the MIF award or the award may be rescinded.**
5. Can I make changes to the Grant Contract and the Loan Agreement? **The template legal documents were created in conjunction with the Minnesota Office of the Attorney General and in accordance with state laws and State Office of Grants Management Guidelines. As a result, only non-substantive changes are allowed.**
6. What are the dates in the Grant Agreement? **The Grant Agreement lays out four dates relevant to the MIF financing. They are:**
  - a. **Effective Date:** Date of Award Letter
  - b. **Benefit Date:** Date equipment operational or building certificate of occupancy issued
  - c. **Compliance Date:** 2 years from Benefit Date
  - d. **Expiration Date:** 3 months after Compliance Date

7. Is collateral required? **Yes, MIF transactions are loans and security is required as collateral. The security can take many forms – collateral on the equipment being financed, mortgage on a building, a line of credit from another lender or a parent company guarantee are among the possible options.**
8. What documentation will I need to submit for proof of expenditures to receive my disbursement? **Third party verification such as invoices, sworn construction statements, lien waivers, receipts etc. will be required for any eligible costs (costs reimbursed by MIF and accompanying match), be sure to keep copies in the project file. All expenditures representing leverage spending must be documented and presented to DEED in an acceptable format as determined by your loan officer.**
9. What kind of reporting will I need to do? **Once a formal award letter is provided, the business is required to complete and submit an Annual Progress Report detailed job creation and wage levels each January until the Agreement ends. A final report also will be due at the Compliance Date. These reports are required even if the MIF funds have not been disbursed.**