

APPENDIX A

ADDITIONAL DETAILS CONCERNING MAILING OF PROPOSALS

Each proposal or modification thereof shall be submitted in sealed envelopes or packages addressed to:

Rough Mill and Wood Shop RFP
C/O USDA Forest Service
Wood Education and Resource Center
301 Hardwood Lane
Princeton, West Virginia 24740

Applicants using commercial carrier services shall ensure that the proposal is addressed and marked on the outermost envelope or wrapper as prescribed above.

Mailed or hand-carried proposals must be delivered to the address indicated. Secured packaging is mandatory. The USDA Forest Service cannot be responsible for the processing of proposals damaged in transit.

All copies of a proposal must be sent in the same package. Do not send separate information copies or several packages containing parts of the single proposal.

Deadline of Proposals

Deadline for receipt of proposals at the WERC is **4:00 P.M. EST, November 1, 2012**. Any proposal received after the exact time specified for receipt may not be considered.

Notification of Proposal Receipt

Applicants desiring notification of receipt of their proposal must complete and include a self-addressed stamped envelope and a copy of the Proposal Notification Receipt Form (Appendix H) in the back of this document. Notification of receipt of a proposal by the government does not by itself constitute a determination that the proposal was received on time or not. The determination of timeliness is solely governed by the criteria set forth above.

Information on Proposal Status

Evaluation of proposals and award of contracts will be expedited, but no information on proposal status will be available until the final selection is made. However, contracting officers or other Forest Service officials may contact any and all qualified applicants prior to contract award.

APPENDIX B

BUSINESS PLAN FORMAT GUIDELINES

This appendix describes both the required and recommended elements of an example business plan format to serve as a guideline for the applicant in proposal preparation. The Forest Service wants to assure that the proposed business is viable and able to survive over the permit/lease period.

DOCUMENTATION OF BUSINESS, COMPANY, OR ORGANIZATION

Applicants should include information about the business organization and organizational structure, i.e., organization and /or individual name, mailing address, designated agent, evidence of incorporation and good standing, and name and address of each affiliate of the applicant.

Applicants that are limited-liability companies should provide the names and interests of the company's principals.

NARRATIVE DESCRIPTION OF WHO WILL PERFORM THE WORK

Applicants should specify whether the applicant will run the operation and conduct maintenance work, or if a third party will be used. Should a third party be used, identify them by name and address, and the individual who will be responsible for any of the operational aspects of the rough mill or wood shop operation, and describe relevant experience.

DESCRIPTION OF BUSINESS EXPERIENCE

Applicants should furnish a detailed description of their business experience. Experience in the wood products industry should be noted (where applicable). Product manufacturing and marketing experience should be included in the description. For each business venture, include the following information:

- The dates of the business experience
- The location of the business
- A description of products manufactured and/or services provided
- A description of customers served
- The number of employees
- The sales and product volume of the business

Applicants should also furnish three business references, with the names, addresses, and telephone numbers in support of applicable business experience.

FINANCIAL RESOURCES

Any financial information submitted by applicants should conform to generally accepted accounting principles or other comprehensive bases of accounting. Any previously prepared financial documents that are submitted should be unredacted and in their original form, including footnotes.

The business plan and all financial information and projections are confidential information, and may not be released by the Forest Service, to the extent allowed in the Freedom of Information and Privacy Act, 5 U.S.C. 552 and 552a, respectively.

In order to assess the technical and financial capability [(36 CFR 251.54 (e)(3)] of the applicant, the following are required:

Financial Statement

A detailed financial statement must be submitted for the corporation, partnership, or proprietorship submitting a proposal. Form FS-6500-24 (1/93) is included in Appendix C and is a recommended format.

Applicants should complete Form FS-6500-24 for any calendar year they were in business during the last three calendar years. Limited-liability companies need to list the name of the company in Block 1 and the names and interests of the principals in Block 5, and complete the certification in Part (D)(1) of FS-6500-24.

Request for Verification

Applicants must provide sufficient evidence of financial ability. It is preferable that applicants show they have 25 percent of the first year's operating costs in liquid assets. Liquid assets are those that can be readily converted to cash.

Applicants must complete Form FS-6500-25 (Request for Verification, included in Appendix C) and submit it with their business plan. They should complete Blocks 1 through 5 of the form and send a copy to each financial institution with which they do business, in order for them to complete Blocks 6 through 15 of the form. The financial institution(s) should mail the completed forms to:

Steve Milauskas/Rough Mill / Wood Shop Building Lease
WERC -- USDA Forest Service
301 Hardwood Lane
Princeton, WV 24740

MARKETING PLAN AND STRATEGY

The applicant should submit a description of the commercial market needs that the product from the rough mill building operation will fulfill. This description should address the following:

- Product or product(s) line to be produced

- The needs of the potential customers
- How those needs are addressed by current producers
- Potential revenue stream generated
- Distribution network for product (sell to wholesalers, retailers, brokers, etc)

The marketing plan and strategy are confidential information, and may not be released by the Forest Service, to the extent allowed in the Freedom of Information and Privacy Act, 5 U.S.C. 552 and 552a, respectively. **The level of detail you wish to provide is a judgment call by the interested company/organization.**

PAYMENT HISTORY / CREDIT REFERENCES - REMEMBER SOME OF THESE ARE ONLY REQUIRED OF THE SUCCESSFUL APPLICANTS

Financial ability evaluation will also include payment history. Documentation provided by the applicant reflecting payment history in current business or credit reports will be considered. If applicant has a clear payment record and no known adverse items have occurred in the last five years, applicant should attest to this clear record. The best evaluation of payment history will result for applicants with positive payment history who also attest to that record. A known poor payment record not addressed as to corrective action or mitigating circumstances will detract from the ranking.

CASH FLOW PROJECTION FOR THE PROPOSED PERIOD OF OPERATION

The cash flow projection should include an estimate of the cost of operating the rough mill building facility. It should also include all interim sources of funds (e.g., from sales of products and byproducts) and permanent sources of funds. An example of a monthly cash flow projection can be found in Appendix I. **The level of detail you wish to provide is a judgment call by the interested company/organization.**

INCOME PROJECTION BY MONTH FOR THE PROPOSED PERIOD OF OPERATION

Applicants should provide a projection of their monthly income. An example of a monthly income projection can be found in Appendix J. **The level of detail you wish to provide is a judgment call by the interested company/organization.**

ESTIMATED FEE TO THE GOVERNMENT

In consideration for the use of Forest Service facilities and equipment, the successful applicant agrees to pay a fee to the USDA Forest Service. No minimum annual fee for the WERC rough mill or wood shop will be set by this solicitation. The Forest Service reserves the right to reject offers considered financially inadequate. Payment of the permit fee will be required monthly in advance of the authorized use, and should be paid by the 15th of the previous month without demand.

Appendix C: Form FS-6500-24, Financial Statement

USDA FOREST SERVICE		OMB No. 0596-0012 (Expires 2/29/93)	
(Ref. 36 CFR 223.7(e), 36 CFR 251.54(e), Federal Acquisition Regulation 48 CFR 9.104.1.)			
INSTRUCTIONS: Forest Service (FS) requires the respondent to provide the most recent fiscal year financial statement. FS may also request the respondent to provide two additional years of financial data, on a case by case basis. If more space is needed to fully answer any item below, attach additional sheets.			
1. NAME OF CORPORATION, PARTNERSHIP, OR PROPRIETORSHIP (Include any names the organization/firm operated under during past three years and specify the year operated for each name):			
2. STATE INCORPORATED	3. DATE INCORPORATED	4. ADDRESS OF PRINCIPAL PLACE OF BUSINESS (with ZIP CODE)	
5. IF PARTNERSHIP, NAMES OF PARTNERS, AND THEIR PARTNERSHIP INTERESTS			
6. NAMES, TITLES, AND ADDRESSES OF CORPORATE OFFICERS AND DIRECTORS, with number of shares of stock owned by each:			
FULL NAME	TITLE	ADDRESS <i>(Number, Street, City, State, and ZIP CODE)</i>	SHARES OWNED
7. REFERENCES (At least three should be given, preferably blanks):			
FULL NAME	ADDRESS <i>(Number, Street, City, State, and ZIP CODE)</i>		

NOTE: Respondents may submit certified financial statements in lieu of answering PARTS A through C on the next pages. However, respondents must complete either certification statement PART D (1) or PART D (2) at the bottom of the last page.

PART A. BALANCE SHEET	CURRENT YEAR (MO/DA/YR)	PAST YEAR (MO/DA/YR)	THIRD YEAR (MO/DA/YR)
YEAR ENDED	//	//	//
ASSETS			
CURRENT ASSETS:			
CASH			
RECEIVABLES-TRADE			
LESS ALLOWANCES FOR DOUBTFUL ACCOUNTS	<>	<>	<>
INVENTORIES (list major categories):			
SUPPLIES AND MISCELLANEOUS MARKETABLE SECURITIES			
PREPAID EXPENSES			
SUPPLIES INVENTORY			
OTHER CURRENT ASSETS:			
TOTAL CURRENT ASSETS			
FIXED ASSETS:			
LAND			
BUILDINGS			
MACHINERY AND EQUIPMENT			
PLANT			
LEASEHOLD IMPROVEMENTS			
OTHER			
LESS ALLOWANCE FOR DEPRECIATION	<>	<>	<>
BOOK VALUE-FIXED ASSETS			
OTHER ASSETS:			
DEPOSITS-CASH			
DEPOSITS-SECURITIES			
TOTAL-OTHER ASSETS			
TOTAL ASSETS			

LIABILITIES AND OWNER EQUITY	CURRENT YEAR	PAST YEAR	THIRD YEAR
CURRENT LIABILITIES:			
ACCOUNTS PAYABLE-TRADE			
ACCRUED PAYROLL			
ACCRUED PAYROLL TAXES AND INSURANCE			
NOTES PAYABLE			
INCOME TAXES-CURRENT			
OTHER TAXES			
CURRENT PORTION OF LONG-TERM DEBT			
OTHER CURRENT LIABILITIES (SPECIFY)			
TOTAL CURRENT LIABILITIES			
OTHER LIABILITIES:			
DEFERRED INCOME TAXES			
LOANS FROM OFFICERS/PARTNERS			
LONG-TERM OBLIGATIONS-LESS CURRENT AMOUNT			
TOTAL OTHER LIABILITIES			
TOTAL LIABILITIES			
OWNER EQUITY:			
CAPITAL STOCK OUTSTANDING			
RETAINED EARNINGS (DEFICIT)			
PARTNERS' INVESTMENT (DEFICIT)			
TOTAL OWNER EQUITY			
TOTAL LIABILITIES AND OWNER EQUITY			
PART B. SUPPLEMENTAL DATA			
THIS STATEMENT IS ON THE-CASH BASIS _____ ACCRUAL BASIS _____			
INVENTORIES ARE-LIFO _____ FIFO _____ COST OR MARKET WHICHEVER IS LOWER _____			
NAMES OF CONTRACTORS OR SUB-CONTRACTORS USED (IF ANY):			

P PART C. INCOME STATEMENT	CURRENT YEAR	PAST YEAR	THIRD YEAR
GROSS SALES			
LESS-RETURNS AND ALLOWANCES	<>	<>	<>
<u>NET SALES</u>			
LESS-COST OF GOODS SOLD	<>	<>	<>
GROSS PROFIT ON SALES			
LESS-SELLING EXPENSE	<>	<>	<>
NET PROFIT (LOSS) ON SALES			
GENERAL EXPENSE:			
OFFICERS SALARIES			
LEGAL AND OTHER PROFESSIONAL EXPENSE			
OFFICE EXPENSE			
OTHER			
TOTAL GENERAL EXPENSE			
NET OPERATING PROFIT (LOSS)			
ADD-OTHER INCOME			
LESS-INTEREST EXPENSE			
INCOME TAXES	<>	<>	<>
OTHER EXPENSE	<>	<>	<>
NET AMOUNT OF OTHER INCOME AND EXPENSE	<>	<>	<>
N NET PROFIT (LOSS) FOR YEAR			
N NOTE: Offers must set forth full, accurate, and complete information as required in this Financial Statement <i>(including any attachments)</i> . The penalty for making false statements in this Financial Statement is prescribed in 18 U.S.C. 1001.			
P PART D (1). CERTIFICATION FOR CORPORATIONS OR PARTNERSHIPS			
We, the undersigned, general officers <i>(or members)</i> of _____ <i>(name of corporation or partnership)</i> being severally sworn, each declares that the above or attached financial statements are true and correct, and that it covers all of the financial affairs of said company <i>(or)</i> firm up to and including the date of _____, 19_____.			
CERTIFYING OFFICIAL'S NAME AND TITLE	SIGNATURE <i>(Sign in ink)</i>	DATE	
CERTIFYING OFFICIAL'S NAME AND TITLE	SIGNATURE <i>(Sign in ink)</i>	DATE	
SWORN TO AND SUBSCRIBED before me this _____ day of _____ <i>(Month/Year)</i>			<i>(Affix Notary Seal)</i>

SIGNATURE	TITLE		
PART D (2). CERTIFICATION FOR INDIVIDUALS			
I swear <i>(or affirm)</i> that the above or attached financial statements are true and correct to the best of my knowledge.			
INDIVIDUAL'S NAME AND TITLE	SIGNATURE <i>(Sign in ink)</i>	DATE	
SWORN TO AND SUBSCRIBED before me this _____ day of _____ <i>(Month/Year)</i>			<i>(Affix Notary Seal)</i>

SIGNATURE	TITLE		
Public reporting burden for this collection of information is estimated to average 2 hours 8 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. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Department of Agriculture, Clearance Officer, OIRM, Room 4040W, Washington, D.C. 20250; and to the Office of Management and Budget, Paperwork Reduction Project (OMB #0596-0012), Washington, D.C. 20503			

Appendix C: Form FS-6500-25, Request for Verification

US DEPARTMENT OF AGRICULTURE, FOREST SERVICE
REQUEST FOR VERIFICATION
 (Reference FSH 6509.18)

FS-6500-25 (5/96)
 OMB No. 0596-0012
 Expires 05/31/99

Instructions: Applicant- Complete items 1 thru 5. Forward directly to bank or lending institution.
 Lender - Please complete Items 6 thru 15. Return directly to:
 Steve Milauskas/Rough Mill, WERC – US Forest Service, 301 Hardwood Lane, Princeton,
 WV 24740

PART I – REQUEST

1. TO: Name and Address of Bank or other Lending institutions	2. FROM: (Name and Address of Applicant)
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3. STATEMENT OF APPLICANT

TYPE OF ACCOUNT	ACCOUNT NUMBER	CURRENT BALANCE
CHECKING ACCOUNT		
SAVINGS ACCOUNT		
OTHER		

I have applied for a special use permit with the Wood Education and Resource Center of the US Forest Service and state that my balance with the bank or lending institution named in Item 1 are as shown in Item 3. My signature below authorizes verification of the information. Your response is solely a matter of courtesy for which no responsibility is attached to your institution or any of your officers.

4. Signature of Applicant	5. Date / /
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PART II – VERIFICATION

6. Does applicant have any outstanding loans? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, fill Item 7.		10. Is the account less than 2 months old? <input type="checkbox"/> Yes <input type="checkbox"/> No If Yes, fill in Item 11.	
TYPES OF LOANS	MONTHLY PYMT.	PRESENT BALANCE	11. Date account was opened:
Secured			12. Payment Experience: <input type="checkbox"/> Favorable <input type="checkbox"/> Unfavorable If unfavorable, please explain in remarks.
Unsecured			
8. Is applicant's statement in Item 3 correct? <input type="checkbox"/> Yes <input type="checkbox"/> No If no, fill Item 9.			
9. CURRENT BALANCES			
CHECKING	SAVINGS		

13. REMARKS:

THE INFORMATION ON THIS FORM IS CONFIDENTIAL. IT IS TO BE TRANSMITTED DIRECTLY, WITHOUT PASSING THOROUGH THE HANDS OF THE APPLICANT OR ANY OTHER PARTY.

14. Signature of bank or lending official.	15. Date / /
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Public reporting burden for this collection of information is estimated to average 30 minutes per response, including the time for reviewing instructions, searching data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Department of Agriculture, Clearance officer, OIRM, AG Box 7630, Washington, D.C. 20250; and to the Office of Management and Budget, Paperwork reduction project (OMB# 0596-0012), Washington, D.C. 20503.

Appendix D: Sample Holder Maintenance-and-Reconditioning Plan

The holder maintenance requirements listed below are examples only. Actual holder maintenance requirements will be included in the annual Operating Plan. Standards for these requirements will be provided by the Forest Service (FS).

Maintenance Requirement	Frequency	Remarks
Inspect dust collection cyclones and bag houses, and empty.	Inspect daily and empty as required.	To FS operating standards.
Inspect wood waste receptacles and empty.	Inspect daily and empty as required.	To FS operating standards.
Remove trash and litter from grounds and parking lot.	Daily	To FS operating standards.
Inspect , maintain, repair and recondition woodworking equipment.	Per equipment manufacturer's recommendations.	To FS operating standards.
Inspect on-site alarm system.	Quarterly	To FS operating standards.
Inspect and repair or replace all toilet door locks.	Prior to opening, and as needed.	FS must approve materials.
Repair sign boards.	As needed.	FS must approve materials.
Inspect and repair all damaged or leaking plumbing fixtures.	As needed.	FS must approve materials.
Inspect and repair all personnel doors and garage doors.	As needed	FS must approve materials.
Clean and service toilets.	At least once per day.	To FS standards.
Remove garbage.	Weekly or more frequently, as needed.	Prevent trash from overflowing containers.

APPENDIX E

EVALUATION CRITERIA

Each applicant's proposal package will be evaluated against the evaluation criteria by a selection panel composed of knowledgeable and experienced Forest Service (FS) professionals. Scores based on relative importance of criteria and the selection panel's professional judgment will determine the applicant best suited to operate the rough mill facility.

The four major elements of the Proposal Evaluation Criteria are: 1) operating proposal; 2) business plan and business experience; 3) fee to the government; and 4) operating preferences. When evaluating these four broad criteria special emphasis will be placed on: wood/forest products operations, income generation to the government, safety; the ability to maintain the equipment and the facility; the ability to operate the equipment and the facility; return the facility to the Forest Service in good condition less normal wear and tear; likelihood of the permittees business success; jobs creation; and the overall benefit to the Forest Service and local community.

During the evaluation process, the panel may contact any references listed by the applicant, including all local, state, or Federal entities who have issued the applicant a current or past permit. The panel will make a recommendation to the Authorized Officer regarding to whom the special-use permit should be awarded.

The Authorized Officer will make the final selection decision. All applicants will be notified of the successful applicant(s) within 30 days of the application submission deadline, via Certified Return Receipt letter. **The tentative final selection announcement will be made on November 1, 2012.**

The Forest Service reserves the right to decline to issue a Special-Use Permit as a result of this prospectus if the Authorized Officer determines that none of the proposals receives a high

enough rating to assure a safe and successful operation of the rough mill or wood shop facilities. **THE AUTHORIZED OFFICER MAY ALSO REJECT ANY OR ALL PROPOSALS IN THE EVENT THAT IT IS DEEMED THAT THE GOVERNMENTS INTERESTS WILL NOT BE MET.**

The Forest Service is not obligated to accept the application with the highest score or the highest return to the Government. The Forest Service reserves the right to reject any and all applications.

The following evaluation criteria are listed in approximate order of importance.

1. Proposed Operating Plan Provisions
2. Business Plan and Business Experience (Including Financial Resources)
3. Fee to the Government
4. Operating Preferences

The Evaluation Criteria Summary on the next two pages lists the evaluation criteria and their relative point values for use in the fixed weight method of selection.

PROPOSAL EVALUATION CRITERIA FORM

OPERATION OF ROUGH MILL AND/OR WOOD SHOP FACILITY, PRINCETON, WV

Name of Applicant: _____

Reviewer: _____ Date: _____

RATING	CRITERIA
0 – 20 Points	<p>Operating Plan Provisions: Adequacy and appropriateness of management structure, labor, safety, inspection and maintenance logistics. Plan is realistic in potential to meet required operating standards, achieve business success for permittee, and has a high probability that the facility will be returned to the Forest Service at the end of the term in equal or improved condition, less normal wear and tear.</p> <p>REMARKS:</p>
0 – 25 Points	<p>Business Plan and Business Experience (Including Financial Resources): Business Plan is clear, concise, and addresses business/manufacturing operations that will result the likelihood of the permittee’s business success. Extent of manufacturing and/or business experience the applicant has had (especially wood products). Qualifications of individuals described as supervisory, maintenance, and operations personnel. Financial capabilities are appropriate and verified.</p> <p>REMARKS:</p>

0-35 Points	<p>Fees to the Government (Rent): Proposed return to the Government and ability to perform Fee Offset Maintenance.</p> <p>REMARKS:</p>
0-20 Points	<p>Operating Preferences: These operating preferences are <u>optional</u> services that provide an overall benefit to the Forest Service and/or local community and may include: tours of the facility; fit with WERC mission; operational demonstrations of equipment; and research activities.</p> <p>REMARKS:</p>

APPENDIX F

DISCUSSIONS/BEST AND FINAL PROPOSALS

This appendix provides additional details concerning the process termed “Discussions/Best and Final Proposals” used by the Forest Service in awarding Special Use Permits.

Upon completion of the evaluation, the Authorized Forest Service Official will decide whether to allow issuance of the permit without oral or written discussions. The Forest Service reserves the right to issue the permit based solely on initial proposals without discussions with applicants.

If the Authorized Forest Service Official is uncertain of what is being proposed with regard to technical details, fees, or return to government, discussions will be held before issuing the permit. “Discussion” means any oral or written communication between the Forest Service and an applicant.

A permit will not be issued based on initial proposals if discussions have been conducted with one or more applicants unless they have been conducted for the purpose of “clarification”. “Clarification” means communication with an applicant for the sole purpose of eliminating minor irregularities, informalities, or apparent clerical mistakes in the proposal. Under these circumstances, the applicant will not be allowed to modify his/her proposal.

Following clarification of the proposal, the permit may be issued based on the initial proposal without requesting best and final offers if it is in the best interest of the Forest Service to do so. If not, written or oral discussions will be conducted according to the procedure described herein.

When a permit is not issued on the basis of initial proposals, the Authorized Forest Service Official will decide which applicants shall be included in the competitive range for the purpose of conducting written or oral discussions. The competitive range will be determined on the basis of the evaluation factors stated in the prospectus and will include all proposals that have a reasonable chance of being selected.

In determining the competitive range, the Authorized Forest Service Official will not treat similarly situated proposals differently. Applicants will not be excluded from the competitive range on the basis of a predetermined cut-off score. Inclusion or exclusion of a particular proposal will be based on the array of scores obtained from applicants. Exclusion is appropriate if the deficiencies are so material as to preclude any possibility of upgrading, except through major revisions or additions. Proposals that contain requirements or conditions that could not be met without detracting from technical acceptability will be excluded.

Written or oral discussions will be conducted with all applicants in the competitive range. Discussions will be conducted with applicants whose proposals contain technical

deficiencies, while those with technically acceptable proposals will be allowed to submit a best and final proposal.

Discussions will disclose only deficiencies (parts of the applicant's proposal that would not satisfy the Forest Service's minimum requirements) to resolve any uncertainties or mistakes, and provide an opportunity for revision of the proposal. During discussions all deficiencies in the applicant's proposal will be disclosed, not just deficiencies in selected areas.

Deficiencies will be derived only from individual evaluation of each applicant's proposal against the specific evaluation criteria established in the prospectus. Deficiencies will not be derived from a comparative evaluation of the relative strengths and weaknesses of competing proposals. The relative strengths and weaknesses of competing proposals and technical information, ideas, or fee data from any applicant's proposal will not be disclosed to other applicants.

Unless the applicant's proposal is removed from the competitive range after uncertainties are resolved, the applicant will be given the opportunity to revise his/her initial proposal. After written or oral discussions have been conducted with all applicants in the competitive range, best and final proposals will be solicited from them. The request for best and final proposals shall include:

- A notice that discussions are concluded.
- A notice that this is the opportunity to submit a best and final proposal.
- A common cut-off date and time that allows a reasonable opportunity for submission of written best and final proposals.
- Notice that if any modification is submitted, it must be received by the date and time specified.

If there is any additional discussion with an applicant after submission of best and final proposals and before issuance of a permit, there will be additional discussions with all applicants remaining in the competitive range and another round of best and final proposals. Deficiencies remaining from the initial proposal will not be discussed if the applicant has already been informed of the deficiency.

Issuance of a permit will be made on a rational basis in accordance with the evaluation criteria. The relative importance of the criteria stated in the prospectus will not be altered. Re-scoring based on best and final proposals will take place.

APPENDIX G

PROPOSAL NOTIFICATION RECEIPT FORM

FROM: WOOD EDUCATION AND RESOURCE CENTER
301 HARDWOOD LANE
PRINCETON, WV 24740

TO: _____

The Wood Education and Resource Center received your application/proposal for the Special-Use Permit for the use of the rough mill and/or Wood Shop facilities located adjacent to the USDA Forest Service's Wood Education and Resource Center in Princeton, West Virginia on:

APPENDIX H

Monthly Cash Flow Projection

The Forest Service wants to assure that the proposed business is viable and able to survive over the permit/lease period. The cash flow projection is an important financial planning tool.

For a new or growing business, the cash flow projection can make the difference between success and failure. For an ongoing business, it can make the difference between growth and stagnation.

Cash Flow Projection will show:

- how much cash your business will need;
- when it will be needed;
- whether you should look for equity, debt, operating profits, or sale of fixed assets; and
- where the cash will come from.

The cash flow projection attempts to budget the cash needs of a business and shows how cash will flow in and out of the business over a stated period of time. Cash flows into the business from sales, collection of receivables, capital injections, etc., and flows out through cash payments for expenses of all kinds.

A cash flow deals only with actual cash transactions. Depreciation, a noncash expense, does not appear on a cash flow. Loan repayments (including interest), on the other hand, do, since they represent a cash disbursement.

The Cash Flow Projection chart on the next page can be used to make sure ordinary cash flow items are not overlooked. Be sure to add any items that are peculiar to your business. **The level of detail you wish to provide is a judgment call by the interested company/organization.**

Cash Flow Projection (or Cash Flow Budget) by Month: Year One

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
		Oct	Nov	Dec	Jan	Feb	Mar	April	May	June	July	Aug	Sept	TOTAL
1														
2	Cash Receipts													
3	Sales Receivables													
4	Wholesale													
5	Retail													
6	Other Services													
7	Total Cash Receipts													
8	Cash Disbursements													
9	Cost of Lumber													
10	Variable Labor													
11	Marketing													
12	Insurance													
13	Legal and Accounting													
14	Delivery Expenses													
15	Fixed Cash Disbursements*													
16	Lease													
17	Term Loan													
18	Line of Credit													
19	Other													
20	Total Cash Disbursements													
21														
22	Net Cash Flow													
23														
24	Cumulative Cash Flow													
25														
26	*Fixed Cash Disbursements													
27	Utilities													
28	Salaries													
29	Payroll Taxes and Benefits													
30	Office Supplies													
31	Maintenance and Cleaning													
32	Licenses													
33	Boxes, Paper, etc.													
34	Telephone													
35	Miscellaneous													
36														
37														
38														
39	Cash on Hand													
40	Opening Balance													
41	+ Cash Receipts													
42	- Cash Disbursements													
43	Total = New Balance													

APPENDIX I

Income Statement Projection

The Forest Service wants to assure that the proposed business is viable and able to survive over the permit/lease period. Income Statements, also called Profit and Loss Statements, complement balance sheets. The balance sheet gives a static picture of the company at a given point in time. The income statement provides a moving picture of the company during a particular period of time.

Income projections are forecasting and budgeting tools, estimating income and anticipating expenses in the near to middle-range future. For most businesses (and for most bankers), income projections covering one to three years are more than adequate. In some cases, a longer-range projection may be called for, but in general, the longer the projection, the less accurate it will be as a guide to action.

A suggested format for an income projection follows on the next page. The content as shown in the sample may have to be modified to fit your particular operation, but do not change the basic form.

The level of detail you wish to provide is a judgment call by the interested company/organization.

Income Projection by Month: Year One

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
		Oct	Nov	Dec	Jan	Feb	Mar	April	May	June	July	Aug	Sept	TOTAL
1														
2														
3	Sales													
4	Wholesale													
5	Retail													
6	Total Sales:													
7														
8	Cost of Materials													
9	Variable Labor													
10	Cost of Goods Sold													
11														
12	Gross Margin													
13														
14	Operating Expenses													
15	Utilities													
16	Salaries													
17	Payroll Taxes and Benefits													
18	Advertising													
19	Office Supplies													
20	Insurance													
21	Maintenance and Cleaning													
22	Legal and Accounting													
23	Delivery Expenses													
24	Licenses													
25	Boxes, Paper, etc.													
26	Telephone													
27	Depreciation													
28	Miscellaneous													
29	Rent													
30	Total Operating Expenses:													
31														
32	Other Expenses													
33	Interest (Mortgage)													
34	Interest (Term Loan)													
35	Interest (Line of Credit)													
36	Total Other Expenses:													
37	Total Expenses:													
38														
39	Net Profit (Loss) Pre-Tax													

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