

# Dairy Farm Innovation & Alternative Management Grant

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## 2022 REQUEST FOR APPLICATIONS

The [Northeast Dairy Business Innovation Center](#) (NE-DBIC) announces the availability of funds through the Dairy Farm Innovation Grant & Alternative Management program. This grant program will provide grants to dairy farmers to implement a wide variety of innovative and alternative management styles. A portion of the funds available will be prioritized for farmers who have received technical assistance (TA) from NE-DBIC funded Grazing Transition, Forage Enhancement, and Alternative Business Management TA providers. Grant funding is also available to farms who have not received this TA to implement similar projects.

Grants are available to applicants in all 11 Northeast states: Connecticut, Delaware, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, and Vermont.

## KEY DATES

RFA Release Date: November 8, 2022

Application Opens: December 1, 2022

Application Deadline: February 2, 2023 at 2:00 PM ET

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# CONTACT

## PROGRAM QUESTIONS

Laura Ginsburg  
Center Lead  
[Laura.Ginsburg@vermont.gov](mailto:Laura.Ginsburg@vermont.gov)  
(802) 522-2252

## WEBGRANTS TECHNICAL ASSISTANCE

Rebecca Brockett  
Grants & Contracts Administrator  
[Rebecca.Brockett@vermont.gov](mailto:Rebecca.Brockett@vermont.gov)  
(802) 636-7016

Support is generally available during business hours: Monday–Friday, 7:45 AM to 4:30 PM ET. Assistance may not be available shortly before deadlines.

## RESOURCES FOR APPLYING

- WebGrants Guides and resources for registering and applying can be found on our [Resources for Applicants and Recipients webpage](#).

## REGISTERING IN WEBGRANTS

Applicants that have not previously registered in WebGrants will need to allow 1-2 business days for their registration to be processed. During that time, applicants will not be able to login to start an application. Please plan your application process accordingly.

## SUBMISSION POLICY

It is the applicant’s responsibility to adhere to all application instructions including the submission dates and times included in this request for applications (RFA). The Northeast Dairy Business Innovation Center via the Vermont Agency of Agriculture, Food & Markets (VAAF) will accept the last validated electronic submission through the grants management system, [WebGrants](#), prior to the posted deadline as the final and sole acceptable submission of an application.

Submission or re-submission of incomplete or delayed applications after the posted deadline, barring exceptional circumstances will not be accepted.

**WebGrants will prevent applications from being submitted after the cut-off time.**

## SUBMISSION CONFIRMATION

When an application has successfully been submitted, the applicant will receive a confirmation email from <[agriculturegrants.vermont@mail.webgrantscloud.com](mailto:agriculturegrants.vermont@mail.webgrantscloud.com)>. Please add this email address to your “safe senders” list. If you do not receive this confirmation, please check your junk or spam folder.

# **I. PROGRAM OVERVIEW**

## **QUICK FACTS**

### **THE NORTHEAST DAIRY BUSINESS INNOVATION CENTER**

The Northeast Dairy Business Innovation Center (NE-DBIC), hosted by the Vermont Agency of Agriculture, Food and Markets (VAAFAM), is one of four USDA-AMS Dairy Business Innovation Initiatives (DBII) in the nation. The NE-DBIC serves the 11-state Northeast region which includes Connecticut, Delaware, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, and Vermont by supporting dairy businesses through projects that promote the development, production, marketing, and distribution of dairy products. Projects target dairy farms and processors while providing additional support through market research and technical assistance. Since its inception in 2019, the Northeast Dairy Business Innovation Center has received \$31.72 million to support projects in the Northeast region of the U.S.

### **ELIGIBILITY SUMMARY**

Licensed dairy farmers (producers) who are located in the Northeast region of the United States may apply for this grant if they both produce milk within the Northeast and are in compliance with all required state and federal standards. Technical assistance providers and producer associations who directly serve regional dairy farmers may also apply on behalf of farmers.

### **AVAILABLE FUNDS**

Up to \$900,000

### **MINIMUM & MAXIMUM AWARD**

Minimum: \$10,000

Maximum: \$75,000

Match: A 25% (cash and/or in-kind) match commitment is required.

Grant funds will be distributed to grantees over three payments throughout the course of the grant project. Unless otherwise arranged with the grant program manager, default payment structure of this grant is 50% of grant funds upfront, 30% of funds mid-project, and 20% of funds once the grant is complete.

### **PROJECT LENGTH**

Grant periods will range from 12 - 15 months, depending on the project.

### **FUNDING SOURCE**

Funds are available through the Northeast Dairy Business Innovation Center which is made possible by funding through the U.S. Department of Agriculture's (USDA) Agricultural Marketing Service (AMS) through awards AM200100XXXXG003 and AM21DBIVT1011-00.

### FUNDING OPPORTUNITY DESCRIPTION

The NE-DBIC's Dairy Farm Innovation & Alternative Management Grant program will provide grants for dairy farmers to access resources and technical assistance to support the implementation of community- and climate-forward production strategies. Projects funded through this grant program should take a whole farm system approach and increase collaboration with other farms or dairy sector stakeholders. Grants will allow dairy farmers to make improvements to their management strategies and/or to implement innovative practices on farms.

This grant will fund a wide range of projects across farm production and business operation models. Projects may address improvements in areas such as, but are in no way limited to, creating new models for collaborative/cooperative milk production or handling, increased new and young farmer engagement, alternative business ownership/management models, development of green technologies, farm-scale appropriate technology improvements, or creating a culture of continuous improvement.

Projects coming from farmers who have received Grazing Transition, Forage Enhancement, or Alternative Farm Management Technical Assistance will receive priority access to \$400,000 of the available grant funds. Improvements made with this grant funding should result in improved ecological and/or economic outcomes. All grantees will be expected to participate in and/or lead educational opportunities about their projects to benefit the broader dairy community. Projects that directly benefit more than one farm will score more competitively.

### ELIGIBILITY

#### ELIGIBLE APPLICANTS

Applicants eligible for these funds are:

1. Dairy farmers (producers) that:
  - a. are headquartered or based in the Northeast; and
  - b. produce milk within the Northeast; and
  - c. are licensed dairy operations in compliance with all required state and/federal standards
2. Producer associations that represent, supports, or promotes dairy products originating from the Northeast
  - a. For the purposes of this grant, a producer association group, also known as a trade association, industry trade group, business association, sector association, or industry body, is an organization founded and funded by businesses that operate in a specific industry
3. Technical service providers (e.g., university extension or viability organizations) are eligible to apply if:
  - a. The group of dairy businesses they will work with is clearly defined in the application; and
  - b. The businesses receiving services are located in the Northeast

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While the following are not required to apply, if applicant is awarded, they will need to provide:

- Certificate of Insurance listing the VAAFAM as an additional insured
- Current IRS Form W-9
- Unique Entity Identifier (UEI) number acquired via SAM.gov. *Applicants who do not already have a UEI number are strongly encouraged to start this process during the application period to ensure a timely start to their grant, if awarded. **There are currently significant delays.*** If a producer association or technical service provider is applying on behalf of farmers and plans to subaward funds to farmers directly, the applicant and farms must all have UEI numbers.

### FUNDING PRIORITIES

Project approaches should address at least one of the following funding priority areas:

- Project will support adoption of new farm practices that enhance ecological outcomes, improve animal health, and support farmer well-being
- Project will enhance collaboration and learning between farmers and encourage young/beginning farmer participation
- Project will serve as a pilot or demonstration of new technologies or approaches to support early adoption

### ELIGIBLE PROJECTS

Competitive applications in this round should be pursuing alternative models or strategies that expand or enhance their farm operation and not just adopt existing technologies for the purposes of labor savings. For example, a farm may want to purchase a robot because they cannot find labor to milk the cows. A robot could be an acceptable use of funds if it means the farmer then can do something else - more time to focus on enhancing forage production, increased animal health outcomes, or utilization of data for informed decision making. Another example is if a farm wants to invest in a feed pusher to decrease their diesel usage. They need to be able to explain how a robot doing the same thing (e.g., no associated additional practice changes) is innovative.

Eligible activities may include, but are not limited to:

- Utilization of new technologies to improve animal health, enhance labor efficiencies, reduce energy costs, and/or increase utilization of the farm's land base
  - Wearable technologies (animal movement trackers)
  - In-line milk metering and testing systems
  - Satellite driven technologies for geo-fencing
  - Technology driven pasture and forage management
  - Robotic equipment
  - Technology supported animal housing and cow comfort improvements

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- Adoption of non-standard animal management practices
  - Group housing and feeding of young stock
  - Utilization of bedded pack housing and/or wood chip pads
- Milk handling and non-traditional approaches to consolidating milk
  - Community milk house
  - Hiring a contractor or technical assistance service to identify partnerships, needs, and feasibility for new milk handling opportunities
  - Conversion from tie stall to parlor/robot milking
- Farm transfer, ownership, and/or training
  - Hiring an expert to help develop non-traditional (for the US) strategies for farm transfer and support for the next generation including share milking, cooperative/collaborative models, or other novel approaches
  - Training, apprenticeship, or other educational opportunities to reach new/young farmers
- Water, waste, and manure management improvements
  - Installation of water reclaim/reuse systems
  - Solid-liquid separation storage and utilization strategies
  - Increasing time animals spend outside in managed areas
  - Improving cleaning procedures of animal housing (scrapers, flush systems, gutters)
- Conversion or pilot testing of electric-powered equipment to replace fossil fuel powered equipment
- Technological advancements associated with improved production practices, soil management, nutrient management, financial analysis, greenhouse gas emissions, and crop production
- Other ideas and projects are welcome within the bounds of what the NE-DBIC is able to fund
- Farmers who have participated in cohort based technical assistance are eligible to apply for the following activities in order to expand or enhance the work completed with the TA provider:
  - Implementation and/or improvement of grazing practices or land stewardship
    - Increasing pasture species diversity
    - Converting tilled or annual cropland to permanent pasture
    - Transitioning to silvopasture
    - Creation of riparian buffer zones, windbreaks, or hedgerows

### REQUIRED PROJECT CRITERIA

Effective applications will address the following:

1. Application demonstrates that improvements made with this grant funding will result in improved ecological and/or economic outcomes.
2. Project is replicable and relevant to other farmers.
3. Applicant clearly outlines their plan to participate in and/or lead educational opportunities about their projects to benefit the broader dairy community.
4. Application demonstrates that the participating farmer(s) and any project partners are committed to embracing a continuous improvement approach.

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5. Technical assistance providers or other partners such as watershed groups or young farmer organizations that will also benefit from grant activities are listed as partners with letters of commitment included.

### EXAMPLES: ELIGIBLE PROJECTS

1. *A farm wants to pilot geofencing for their managed grazing herd and will offer education sessions for other farmers to understand the technology's opportunities and challenges*
2. *A cohort group of farmers supported by a technical service provider will rent equipment to establish perennial pasture or forages. The farmers will also establish areas of silvopasture. Outcomes that include increased species diversity, water quality, and animal health will be tracked and shared.*
3. *A group of farmers concerned about farm transition collaborates with a service provider to bring in a professional to discuss alternative ownership and transfer models. The expert develops legal and financial documents for the farmers to use as they adopt the new model. The farmers bring on young or new farmers who are interested in beginning their career through the identified model and provide educational opportunities in collaboration with their local producer associations.*
4. *A group of small farmers wants to explore developing a community milk house to streamline milk pick-up for their processor and ensure their long-term ability to ship milk. They work with their processor to hire a consultant to identify the best location, ensure adherence to milk handling regulations, and support for milk quality. A portion of funds are then used to purchase equipment or supplies to outfit the shared milk house.*
5. *A farm wants to trial an electric tractor or skid steer to replace their diesel-powered machine. The farmer rents the equipment, documents benefits and challenges, and provides an opportunity for other farmers to experience using the equipment.*
6. *A farm is shifting towards tightening their calving windows and seeks to adopt group calf housing and mob feeding using a New Zealand model. They purchase supplies to adopt the new system and receive technical assistance from a service provider on animal health practices. The service provider then hosts a field day to demonstrate the system to other farmers.*

### INELIGIBLE PROJECTS

- Projects not primarily located within the Northeast
- Projects that solely support the production/sales of raw fluid milk meant for human consumption without pasteurization
- Projects that seek to replace or upgrade existing infrastructure without otherwise innovating farm production practices
- Projects that do not contain or are unwilling to support educational opportunities about the grant funded project
- Projects that use grant funds for:

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- Construction or purchase of construction associated materials
- Purchase or lease-to-own of land/building/facilities
- Purchase of general equipment (specialized equipment is allowable)
- Purchase of vehicles
- Purchase on animals (purchase of genetics may be allowable)
- Unallowable costs/activities as outlined in the [2021 AMS Terms and Conditions](#) (8.0 Allowable Costs and Activities).

### EXAMPLES: INELIGIBLE PROJECTS

1. *A farmer wants to purchase a robotic milker because they cannot find adequate labor.*
  - a. *Why is this ineligible? While the purchase and installation of a robotic milker is eligible, their use is not considered innovative given widespread adoption of the technology. To make this an eligible project, the farmer must demonstrate how the conversion to robotic milking will allow for other practice changes, such as increased grazing, improvement of home-grown forages, or a conversion of calf rearing practices.*
2. *A farmer wants to use funds to build a bedded pack barn to house their animals to improve animal comfort, increase water quality, and decrease daily labor.*
  - a. *Why is this ineligible? Construction and design projects are not allowed per USDA AMS terms. The farmer could use funds for technical assistance to learn how to utilize the new housing system or could purchase equipment or supplies for the housing system.*
3. *A group of farmers want to work together to attract young/beginning farmers to work on their farms. The farmers purchase ads in industry publications and provide funding to attend the Extension trainings.*
  - a. *Why is this ineligible? Projects focusing on young/beginning farmers must include aspects of farm transfer, equity building, and educational opportunities. Farmers need to demonstrate a commitment to alternative ownership or transfer and should include technical assistance from an outside expert.*

### MATCHING FUNDS

All proposals must show matching funds which represent at least 25% of the grant request to go toward the grant project. For instance, for a grant request of \$20,000, the applicant must demonstrate at least \$5,000 in match. Matching funds may be contributed by the applicant or by another organization and must take place during the grant period. The 25% required match may be any combination of cash and in-kind funds in any expense category.

**Examples of cash match** include funds in the bank, funds contributed by another organization, bank loans, other non-Federal grant funds, applicant labor, and compensation of employees. Labor rates should be in line with current market rates.

**Examples of in-kind match** include goods or services provided during the grant period for which no expenditure is made (e.g., contractors, consultants, supplies, or equipment provided pro bono for the



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project; volunteer labor; and/or donated supplies that are not part of the normal cost of doing business). In-kind contributions must be made during the grant agreement period and be directly related to the project.

Match waivers can be requested as needed. Applicants are encouraged to use their time or their family's time spent on the project as in-kind match.

### Example of an eligible budget:

Expense Category	Grant Funds Requested	Applicant Contribution - Cash Match	Applicant Contribution - In-kind Match
Specialized Equipment	\$15,500		
Supplies	\$4,000		
Contractual/Consultant			
Training			
Travel	\$500		
Personnel			\$4,500
Fringe Benefits			
Other		\$1,000	
<b>Total</b>	<b>\$20,000</b>	<b>\$1,000</b>	<b>\$4,500</b>

## LETTERS OF COMMITMENT/SUPPORT

At least one letter of commitment or support is required for this application. Letter(s) of commitment are required from 1) any project partner and 2) all match contributors that are outside of the applicant's business. If there are no match sources outside the applicant's business, the applicant is exempt from this requirement.

**Letters of Commitment** should articulate project partners' involvement and identify the contributions they will make to ensure the project's success. Match contributors should describe and assign value to their match commitment (including financial or in-kind support).

**Letters of Support** should articulate general support from other organizations/businesses and should describe the benefits of the project both for the applicant business and the greater dairy sector. Letters of support are optional but encouraged.

## SUPPORTING DOCUMENTATION

Include any additional information that shows the impacts of this grant such as evidence of cost or energy savings, impact on business viability, quotes for work included in the proposed activities, or other relevant information about the business or the project. etc. **Quotes or bids are required for all specialized equipment purchases and installation services covered by grant funds.**

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### HOW TO APPLY

All applications must be submitted via the WebGrants system at [agriculturegrants.vermont.gov](https://agriculturegrants.vermont.gov). No paper applications will be accepted. Applications will be accepted from December 1, 2022 – February 2, 2023 at 2:00 PM ET.

Applicants that have not previously registered in WebGrants will need to allow 1-2 business days for their registration to be processed. During that time, applicants will not be able to login to start an application. Please plan your application process accordingly.

Be advised that technical assistance with WebGrants may not be available shortly before deadlines; please plan accordingly.

### APPLICATION REVIEW

Applications will be reviewed by a multi-state NE-DBIC advisory committee comprised of representatives from Northeast state agriculture agencies/departments, agriculture extension agencies, and dairy-industry stakeholders. See Section III: Scoring Criteria.

### AWARD INFORMATION

All applicants will be notified of the NE-DBIC decision of whether to award funds to their project. Awards will be approximately 6 to 12 months in length.

### KEY DATES

#### DATES MAY BE SUBJECT TO CHANGE

<b>November 8, 2022</b>	Request for Application (RFA) released
<b>December 1, 2022</b>	Application released
<b>February 2, 2022 at 2:00 PM ET</b>	Application closes
<b>March 2023</b>	Applicants notified of award status
<b>April 2023</b>	Estimated grant project start date
<b>Mid-project, date will depend on project</b>	Interim report due
<b>Between May 31, 2024 and August 30, 2024, depending on project</b>	Project end date
<b>30 days after end of project</b>	Final report and survey due

## **II. FULL APPLICATION**

The application content is listed below but may be subject to change. Please reference the [WebGrants Application Guide](#) for guidance on completing your application in the WebGrants system.

Full application questions are in final development and will be released prior to the application opening on December 1, 2022.

## **III. SCORING CRITERIA**

### **REVIEWER SCORING CRITERIA**

Application scoring criteria are in final development and will be released prior to the application opening on December 1, 2022.

## IV. GRANT MANAGEMENT & REPORTING

### GRANT AGREEMENT & PAYMENT

Prior to receiving funding, successful applicants must sign a grant agreement with the Northeast Dairy Business Innovation Center via Vermont Agency of Agriculture, Food & Markets (VAAFAM) indicating their intent to complete the proposed project and authorizing NE-DBIC/VAAFAM to monitor the project's progress. The grant agreement will include provisions (terms and conditions) set by the State of Vermont as well as any program-specific requirements. Review [Attachment C - Standard State Provisions and Contracts and Grants](#) (12/15/2017 Revised).

Prior to commencement of work and release of any payments, grantee will be required to submit:

- A. A certificate of insurance consistent with the requirements set forth in Attachment C of the grant agreement. [Not required if grantee has a current certificate of insurance on file with the Agency of Agriculture.]
- B. A current [IRS Form W-9](#) (Request for Taxpayer Identification Number and Certification), signed within the past six months
- C. A Unique Entity Identifier (UEI) number, acquired through SAM.gov
- D. Documentation verifying pledged matching funds, as applicable.

### GRANTEE PAYMENT SCHEDULE

Unless other arrangements are made with the grant manager, payments will be made on the following schedule:

- **Initial payment: 50%** of the total grant will be paid to the grantee upon receipt of certificate of insurance and Form W-9, confirmation of Unique Entity Identifier (UEI) via SAM.gov, and a claim submission in WebGrants. Failure to submit all required documents and an executed copy of the grant agreement within 30 days of receipt may result in the loss of awarded funds.
- **Second payment: 30%** of the total grant will be issued upon approval of grantee's interim performance report by the grant manager and receipt of a claim in WebGrants.
- **Final payment: 20%** of the total grant will be issued upon approval of grantee's final performance report, the completion and submission of a survey provided by the grant manager, and receipt of a claim in WebGrants.

The final performance report is due no later than 30 days after the grant end date. Final invoices must be submitted to the State within 45 days of the grant expiration date. Invoices submitted before the completion of an interim or final report will not be paid until the report has been received, reviewed, and accepted by the grant manager. The State cannot reimburse the grantee for work performed after the expiration date of the grant.

### REPORTING REQUIREMENTS

Finalized reporting requirements are in final development and will be released prior to the application opening on December 1, 2022.

The NE-DBIC/VAAFM reserves the right to utilize and/or summarize information and photos provided through these reports to use on publications/promotions.

NE-DBIC via VAAFM reserves the right to modify reporting requirements during the project. Information submitted in any report under this program will be a public record. Failure to adhere to reporting requirements and deadlines may disqualify the grantee from future grant opportunities through the NE-DBIC or State of Vermont.

### CERTIFICATE OF INSURANCE

A certificate of insurance (COI) is a common requirement for businesses and organizations; most agents are familiar with it. The State of Vermont must be listed as an additional insured on the grantee's policy. We recommend forwarding the insurance requirements below to prospective insurers for accuracy:

*Insurance: Before commencing work on this Agreement the Party must provide certificates of insurance to show that the following minimum coverages are in effect. It is the responsibility of the Party to maintain current certificates of insurance on file with the State through the term of this Agreement. No warranty is made that the coverages and limits listed herein are adequate to cover and protect the interests of the Party for the Party's operations. These are solely minimums that have been established to protect the interests of the State.*

*Workers Compensation: With respect to all operations performed, the Party shall carry workers' compensation insurance in accordance with the laws of the State of Vermont. Vermont will accept an out-of-state employer's workers' compensation coverage while operating in Vermont provided that the insurance carrier is licensed to write insurance in Vermont and an amendatory endorsement is added to the policy adding Vermont for coverage purposes. Otherwise, the party shall secure a Vermont workers' compensation policy, if necessary, to comply with Vermont law.*

*General Liability and Property Damage: With respect to all operations performed under this Agreement, the Party shall carry general liability insurance having all major divisions of coverage including, but not limited to:*

*Premises - Operations*

*Products and Completed Operations*

*Personal Injury Liability*

*Contractual Liability*

*The policy shall be on an occurrence form and limits shall not be less than:*

*\$1,000,000 Each Occurrence*

*\$2,000,000 General Aggregate*

*\$1,000,000 Products/Completed Operations Aggregate*

*\$1,000,000 Personal & Advertising Injury*

## SECTION IV: GRANT MANAGEMENT & REPORTING

*Automotive Liability: The Party shall carry automotive liability insurance covering all motor vehicles, including hired and non-owned coverage, used in connection with the Agreement. Limits of coverage shall not be less than \$500,000 combined single limit. If performance of this Agreement involves construction, or the transport of persons or hazardous materials, limits of coverage shall not be less than \$1,000,000 combined single limit.*

*Additional Insured. The General Liability and Property Damage coverages required for performance of this Agreement shall include the State of Vermont and its agencies, departments, officers and employees as Additional Insureds. If performance of this Agreement involves construction, or the transport of persons or hazardous materials, then the required Automotive Liability coverage shall include the State of Vermont and its agencies, departments, officers and employees as Additional Insureds. Coverage shall be primary and non-contributory with any other insurance and self-insurance.*

*Notice of Cancellation or Change. There shall be no cancellation, change, potential exhaustion of aggregate limits or non-renewal of insurance coverage(s) without thirty (30) days written prior written notice to the State.*