

## Dairy Food Safety & Certification Grant

### QUESTIONS & ANSWERS REGARDING THIS GRANT

This document is a compilation of questions and answers the Northeast Dairy Business Innovation Center has received about this grant opportunity. This document will be updated regularly. Please be sure to read the full [request for applications](#) for the complete details of this funding opportunity.

If you still have questions after reading the RFA and this document, please reach out to:

[Kathryn.Donovan@vermont.gov](mailto:Kathryn.Donovan@vermont.gov) or 802-585-4571.

QUESTIONS	ANSWERS
How do you define a “dairy processor”?	For the purposes of this grant program, dairy processors are those business who transform raw milk into an edible product and are regulated by the federal Pasteurized Milk Ordinance (PMO).
What do you mean by a “producer association”?	Applicants applying as a producer association must be organizations founded and funded by businesses that operate in the dairy industry. It must directly and primarily support dairy producers and/or dairy processors through events, shared marketing, and/or educational opportunities. Associations receiving the majority of their funds from producer check-off dollars are not eligible.  <i>Producer associations do NOT include conservation districts, commerce organizations, or governmental organizations.</i>
Can this grant be used for non-cow dairy projects?	Sheep, goat and other dairy such as water buffalo or camel is covered under this grant.
Does “value-added” include fluid milk? What about A2 milk?	Alteration to raw milk, including pasteurization, which results in a dairy product for the purpose of human consumption is considered value-added.
Am I eligible to apply if I am a raw milk processor?	Raw milk, for human consumption as a fluid product, is not regulated by the federal Pasteurized Milk Ordinance (PMO)

	<p>nor saleable across state lines and is therefore ineligible for grant funds through this federally funded grant program.</p> <p>However, if your processing business sells both fluid raw milk (regulated by state) and pasteurized and/or manufactured products (regulated by PMO), grant funds can support work that supports products regulated by the PMO.</p> <p>In the case that your raw fluid products will benefit from the work done under your project that primarily benefits PMO-regulated products (eg. website design) you will need to demonstrate that your matching funds cover the portion of your work that benefits non-PMO regulated aspects of your business.</p> <p><i>Example: If you seek to have a website and ecommerce platform design and 30% of your sales are of raw fluid milk, your match should include funds to cover 30% of the website/ecommerce design.</i></p>
<p>Am I eligible to apply if I am in a state with cottage food laws (eg. Maine) and am in compliance with my state regulations, but am not able to sell across state lines?</p>	<p>If your business is currently following state guidelines and is working toward increasing food safety/production protocols to meet federal guidelines and/or reach new markets, this is in alignment with the intent of the grant, and you are eligible to apply.</p>
<p>Can one of my partners have the cash match flow through their organization inside of through my own?</p>	<p>Yes, if they are identified as a partner business/organization in the application, match may be managed by another business/organization.</p> <p>A letter of commitment should be submitted from that project partner which describes the match contribution and the agreement for cash match to flow through their business/organization.</p>
<p>How do I know if my contractor charges an hourly rate that does not exceed a GS-15 step 10? What does that mean?</p>	<p>Because this is a federal grant, contractors should charge in alignment with rates set by the federal government. Generally, this means an hourly rate of no more than \$68.81, according to the <a href="#">2021 General Schedule</a>. However, some localities may have a higher rate allowed. Check to see if your contractor is located in a <a href="#">Locality Pay Area</a> in which there is a <a href="#">Localized Pay Schedule</a>.</p> <p>The contractor’s hourly pay is separate from any additional travel expenses, fridge benefits, indirect costs, or other expenses.</p> <p>If your contractor’s hourly rate exceeds the rate, prior to hiring them, you must provide justification in the application which includes any research you’ve done to come to that conclusion that a higher rate is needed, which may include soliciting</p>

	multiple bids. Justification should align with <a href="#">2 CFR § 200.317 - 326</a> .
What is a DUNS number and how do I get one?	A <a href="#">DUNS number</a> is a unique 9-digit identifier for businesses and is required to have for grants funded by the Federal government. You can obtain a DUNS number for free.
Do I need to have a DUNS number before I apply?	No, you are not required to have it before submitting your application. However, we recommend that you start the process of getting them ahead of submitting your application to avoid any delays in starting your grant.
What is match?	Match can come in many forms and is a way for you to demonstrate your investment to the project. While it can certainly come from contributing cash from your business or investors, it could also come in the form of volunteer services, donations, etc. to further the impact of the grant project for your business. See the “Matching Funds” section of the RFA to learn more and see how to fully capture this in your budget.
Can I apply if I do not have a computer or access to internet?	We recommend reaching out to a business viability organization in your state to learn about resources available to you regarding application assistance and online submission. Unfortunately, we are not able to accept paper applications.
Do I need to address all the funding priorities listed in the RFA?	Applicants should describe activities that strongly align with at least one of the listed priorities.
Is it required that I make money from my activities?	No, you do not need to make money to be a successful applicant. However, applicants that make the case for how their project increases visibility, public awareness, comprehension of dairy practices, and promotes awareness and consumption of Northeast-regionally produced milk will be more competitive.
What if the expenses that I want to pay for with these funds are not allowable?	Consider paying for those unallowable expenses out of pocket and using as match. Then you can use the grant to cover things like wages or supplies related to the project instead.
If I accidentally put in a non-eligible expense in my application, will my application automatically be disqualified?	No! If your application is positively reviewed by our reviewers and recommended for funding, we will reach out to you to make any necessary tweaks to ensure alignment with USDA requirements. If the descriptions of expenses are detailed and justify why they are necessary for the grant (in the Budget Narrative section of the application) this will increase the competitiveness of your grant.
What if aspects of my project cannot happen because of COVID-19 or some other disruption?	If you receive grant funding for an activity that needs to be altered significantly, you are expected to communicate early and often with your grant manager to come up with an alternative plan and get approval to make those changes. If it is not feasible to alter your project, you may be required to return some or all of the grant funds.
The grant says that it cannot cover construction or equipment costs, but infrastructure is really where I	While construction materials are not eligible, some costs that you think of as equipment may actually be covered under “Supplies”, if it is under \$5,000 or can be broken into

<p>need support. Is there a way to get grant funds for my project?</p>	<p>components that are under \$5,000. (See Eligible Expenses sections below.)</p> <p>If this not the case, consider using your funds to pay for wages or other related and eligible costs and using your own funds to purchase your expenses that are not covered by this grant. Expenses that are not eligible for grant funds can still be counted as match.</p>
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## ELIGIBLE EXPENSES

All expenses for which you are requesting grant funds should be described in detail; expenses should also be well-justified as to how they support the grant project. These details should be provided in the Budget Narrative section of the application.

The following expenses are common for this grant, but this document is by no means all inclusive. Visit the [2020 AMS Terms and Conditions](#) for full details of allowable and unallowable expenses. Contact us if you have any questions.

	<b>Eligible Expenses</b>	<b>Not Eligible</b>
<b>Training</b>	<ul style="list-style-type: none"> <li>• Allowable when the training is required to meet the objectives of the project or program</li> </ul>	<ul style="list-style-type: none"> <li>• N/A</li> </ul>
<b>Contractor/Consultant</b>	<ul style="list-style-type: none"> <li>• Contractors that charge an hourly rate that does not exceed the salary of a GS-15 step 10 Federal employee in the contractor’s area, or with sufficient justification</li> </ul>	<ul style="list-style-type: none"> <li>• Contractors charging over the salary of a GS-15 step 10 Federal employee in the contractor’s area, unless sufficient justification is provided</li> </ul>
<b>Construction</b>	<ul style="list-style-type: none"> <li>• N/A</li> </ul>	<ul style="list-style-type: none"> <li>• Not eligible for construction or building materials</li> </ul>
<b>Equipment</b>	<ul style="list-style-type: none"> <li>• Expenses that cost under \$5,000 are generally considered to be “Supplies”</li> <li>• Equipment that can be reasonably broken down into separately purchased components--if under \$5,000 per component—each component may be considered a “Supply”</li> <li>• Rental Equipment</li> </ul>	<ul style="list-style-type: none"> <li>• Purchase of general-purpose equipment is not eligible, including coolers and frozen storage</li> </ul>

	<ul style="list-style-type: none"> <li>• Specialized equipment which is used only for research, scientific, or technical activities</li> </ul> <p>Examples of eligible equipment:</p> <ul style="list-style-type: none"> <li>• <i>bulk tanks (farm use)</i></li> <li>• <i>milk silos or tanks at processing facilities</i></li> <li>• <i>cheese vats, cheese forms, aging racks, aging equipment (eg. robots that turn and wash wheels)</i></li> <li>• <i>milk pipeline - farm and processing use</i></li> <li>• <i>product packaging equipment - flow-wrap machines, bottlers, yogurt cup filling, cut/wrap equipment</i></li> <li>• <i>milk hauling equipment - bulk tanks mounted on flatbed trucks, single axle milk trucks</i></li> <li>• <i>energy efficiency equipment - heat exchangers, plate coolers, on-demand hot water heater, solar hot water</i></li> <li>• <i>food safety items - chart recorders, microbial testing, milk testing, washable wall materials</i></li> <li>• <i>ice cream batch freezers</i></li> <li>• <i>pasteurizers, homogenization equipment</i></li> </ul>	
<b>Supplies &amp; Materials</b>	<ul style="list-style-type: none"> <li>• Product packaging/labeling, if related to the activities</li> <li>• Printing cost of preparing informational leaflets, reports, manuals, and publications relating to the project</li> <li>• Washable wall materials</li> </ul>	<ul style="list-style-type: none"> <li>• Construction supplies</li> <li>• Plumbing</li> </ul>
<b>Marketing Expenses</b> (covered in the “Other” section of the Budget and Budget Narrative)	<ul style="list-style-type: none"> <li>• Promotion of dairy products as it relates to food safety/welfare certifications</li> <li>• Printing and distribution of marketing materials</li> <li>• Advertisement of an event, activities, or promotion</li> <li>• Computing devices under \$5000</li> </ul>	<ul style="list-style-type: none"> <li>• Reimbursement for the discount covered by a coupon or price reduction</li> <li>• Sponsorships</li> <li>• Branded items solely for giveaways</li> </ul>

	<ul style="list-style-type: none"><li>• App/website development</li><li>• Meeting rooms, demonstrations, exhibits, space rentals</li><li>• Food for displays</li></ul>	
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