

# Existing Processor Expansion Grant - Tiers 1 & Tier 2

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## 2023 REQUEST FOR PRE-APPLICATIONS

The [Northeast Dairy Business Innovation Center](#) (NE-DBIC) announces the availability of funds through the Existing Dairy Processor Expansion Grant program to address the significant need for investment in processing infrastructure in the Northeast. This grant will only fund **existing** dairy processing facilities located in the Northeast region with a focus on expanding utilization of regionally sourced milk and diversifying the supply chain.

Projects funded through this grant will focus primarily on acquiring specialized equipment needed to increase processing capacity through volume expansion and existing product line expansion. Additional activities related to training, marketing, or supply chain logistics that directly support increased production capacity may be included.

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

Multiple tiers of grant funding ranges will be available to processors at a variety of sizes. Processors may apply in one of three grant tiers based on their scale.

## KEY DATES

RFA Release Date: January 31, 2023

Pre-Application Content Release Date: February 16, 2023

Pre-Application Opens: March 16, 2023

Pre-Application Deadline: May 11, 2023 at 2:00 PM ET

Full Application Opens: June 2023

Full Application Deadline: August 2023

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# CONTACT

## PROGRAM QUESTIONS

### Tier 1

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

### Tier 2

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

## 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 (VAAF), 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 \$38.7 million to support projects in the Northeast region of the U.S.

### ELIGIBILITY SUMMARY

Licensed dairy processors located in the Northeast region of the United States may apply for this grant if they both process milk (for purposes of this grant, milk means fluid milk, dairy components, or dairy mix) within the Northeast and are compliant with all required state and federal standards.

- **Tier 1 Grants** are for processors of 100,000 pounds or more daily, sourced from 20 or more farms.
- **Tier 2 Grants** are for processors of 500 – 100,000 pounds daily, sourced from 3 or more farms.
- **Tier 3 Grants** are for processors of 1 – 1,000 pounds daily, sourced from 1 – 3 farms. Applications for Tier 3 will be a single stage application. The Request for Proposals for Tier 3 will open in June 2023.

Processors that qualify for more than one tier may apply for the higher tier.

### AVAILABLE FUNDS

Tier 1 awards: approximately \$6,000,000  
Tier 2 awards: approximately \$4,000,000  
Tier 3 awards: approximately \$2,000,000  
Total program (Tiers 1, 2, &3): \$12,000,000

### MINIMUM & MAXIMUM AWARD

Tier 1 Minimum: \$500,000  
Tier 1 Maximum: \$1,000,000

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Tier 2 Minimum: \$150,000

Tier 2: Maximum: \$650,000

Tier 3 Minimum: \$25,000

Tier 3 Maximum: \$250,000

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

*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 60% of grant funds upfront, 20% of funds mid-project, and 20% of funds once the grant is complete.*

### PROJECT LENGTH

Grant periods will range from 9 – 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 award, AM21DBIVT1011-00.

## FUNDING OPPORTUNITY DESCRIPTION

The NE-DBIC's Existing Processor Expansion Grant program aims to support the expansion and long-term sustainability of dairy processing in the Northeast. Grants will be available for processors to purchase specialized processing equipment and supplies, and fund other activities that allow them to expand their existing processing.

Successful applications will show the project will increase labor efficiency, reduce energy inputs and/or climate impacts, increase processing capacity for regional milk, add value to underutilized products, and/or otherwise address the expansion needs of dairy processors.

Projects should demonstrate long-term impacts for the processors.

## ELIGIBILITY

### ELIGIBLE APPLICANTS

Applicants eligible for these funds must be dairy processors that transform milk (for purposes of this grant, milk means fluid milk, dairy components, or dairy mix) sourced from the Northeast region into an edible product and be:

1. licensed dairy processor in compliance with all required state and/or federal standards, as required for the sales outlets reached during the timeframe of this project; and
2. headquartered or based in the Northeast.

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Processors may apply according to the following:

1. **Tier 1 Grants** are for processors of 100,000 pounds or more daily, sourced from 20 or more farms.
2. **Tier 2 Grants** are for processors of 500 – 100,000 pounds daily, sourced from 3 or more farms.
3. **Tier 3 Grants** are for processors of 1 – 1,000 pounds of daily, sourced from 1 – 3 farms. Applications for Tier 3 will be a single stage application. The Request for Proposals for Tier 3 will open in June 2023.
4. **Processors that qualify for more than one tier may apply for the higher tier.**

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

1. Certificate of Insurance listing the VAAFM as an additional insured
2. Current IRS Form W-9
3. Unique Entity Identifier (UEI) number acquired via [SAM.gov](https://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.***

### ELIGIBLE PROJECTS

Projects under this grant will assist processors at a variety of scales in expanding their ability to process regionally produced milk, increase value of processed products, and reduce energy and climate impacts of production.

Projects should be scaled appropriately to meet the long-term expansion needs of the business. Applicants should explain how the project fits into their business plan, including information such as expected increased production volume, where additional milk will be sourced, and how increased production will be marketed.

### FUNDING PRIORITIES

In addition to increasing processing capacity for regionally produced milk, project approaches should address at least two (2) of the following funding priority areas:

- Project increases labor efficiency and/or worker safety
- Project increases value or marketability of products
- Project reduces energy inputs and/or climate impacts
- Project improves food safety measures
- Project increases value of milk for farmers
- Project increases sales, revenue, and/or consumers reached
- Project increases consumer access to goat, sheep, and/or mixed milk products
- Project responds to current market demand or existing market gaps

### REQUIRED PROJECT CRITERIA

Effective applications will demonstrate:

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1. How the project will increase the volume of regionally sourced raw milk, milk components, or dairy mix that they process.
2. Why it is necessary for the applicant's business to purchase the equipment and any additional costs.
3. Significant impacts on their business including, but not limited to, increased revenue, cost savings, energy savings, and efficiencies in processing milk.
4. How the project will have long-term impacts on their business and/or the wider Northeast dairy processing sector.
5. That there is market demand for expanded production and that the applicant has a robust plan for moving raw and finished product through the supply chain.

Projects must meet the following criteria to receive funds:

1. **REQUIRED:** At least 75% of grant funds for the project must be used to purchase (and install) new or used specialized equipment and supplies that will expand processing of milk produced in the Northeast region. Applicant must select at least one of the allowable purchases and installation of specialized equipment (purchases \$5,000 or more) or supplies in the following pre-approved list, or seek approval ahead of applying for something not on this list:
  - a. Milk storage tanks, including bulk tanks and milk silos
  - b. Milk pipelines
  - c. Fluid milk bottling equipment
  - d. Pasteurizers and/or homogenizers
  - e. Separators
  - f. Packaging equipment:
    - i. Fillers
    - ii. Vacuum sealers
    - iii. Label machines
  - g. Specialty manufacturing equipment:
    - i. Cheese vats, drain tables, wax tanks, brine tanks, molds, presses
    - ii. Curd mills
    - iii. Shredders, slicers, or cutters
    - iv. Ice cream making equipment
  - h. Industrial cooling and/or humidity control for specialized use:
    - i. Commercial freezers, refrigerators, and coolers
    - ii. Cheese aging environmental controls
    - iii. Upgraded glycol chillers
  - i. Plant modernization:
    - i. Electric yard hoses
    - ii. Clean in place (CIP) wash systems
    - iii. Foam floor sprays for transition areas
    - iv. Systems for water reclamation
    - v. Clean out of place (COP) wash tanks

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2. **OPTIONAL:** Up to 25% of requested funds can be used for other costs that would complement the installation and purchase of equipment selected or additional activities related to training, marketing, or supply chain logistics that directly support increased production capacity. This can include, but is not limited to:
  - a. Supplies (any purchases that cost less than \$5,000 per unit)
    - i. E.g., hot water heater (tank style or on-demand), water filtration, milk pipeline, milk pump, sinks, refrigeration
  - b. Training on the use of new equipment
  - c. Professional services
  - d. Personnel & Fringe
  - e. Travel to source or pick up equipment
  - f. Other: shipping costs, rental of general use equipment (not for construction)

### EXAMPLES: ELIGIBLE PROJECTS

1. *A cheese maker adds a second vat to their processing space in order to be able to run multiple batches of product concurrently, increasing production and efficiency. Production growth will allow them to purchase more milk from their farmer sources at a higher price than the farmers earn otherwise. Applicant shows that they have a plan in place to age and market their increased production.*
2. *A producer-processor wishes to replace their batch pasteurizer with a high temperature short time (HTST) pasteurizer and add a cream separator. This will allow them to save labor and energy on pasteurization and allow them to expand their offerings and increase their revenue.*
3. *A processor has outgrown their current facility and plans to build an addition with more processing space. They will use grant funds to purchase a new processing line with energy efficient chillers as part of the expansion. Construction will be paid for with matching funds.*
4. *A processor will expand their operation by purchasing a defunct processing plant. Grant funds will be used to purchase missing equipment to make the plant functional again, such as an updated pasteurizer and energy efficient chillers.*

### 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 do not increase the applicant's use of regionally sourced raw milk, milk components, or dairy mix
- Projects that use grant funds for:
  - Construction
  - Purchase or lease-to-own of land/building/facilities
  - Purchase of general equipment (approved specialized equipment is allowable)
  - Purchase of vehicles
  - Costs incurred outside the grant period



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- Unallowable costs/activities as outlined in the [2021 AMS Terms and Conditions](#) (8.0 Allowable Costs and Activities).

### EXAMPLES: INELIGIBLE PROJECTS

1. *A processor faces a bottleneck in their distribution space and plans to expand, using grant funds for a forklift, pallet jack, and other supplies for distributing their products.*
  - a. *Why is this ineligible? A forklift and pallet jack are general purpose equipment and therefore ineligible for this grant. The applicant could apply for other specialized equipment specific to dairy processing that is needed for the expansion.*
2. *A cheese maker needs more aging space and applies to build a cheese aging cave that will allow them to purchase more milk from local farmers.*
  - a. *Why is this ineligible? Construction costs are not covered by this grant. The cheese maker could apply to use grant funds for specialized equipment such as temperature control to make the space usable for aging but must find another source for construction costs.*
3. *A processor wishes to conduct research into market gaps to help them develop a new cultured dairy product.*
  - a. *Why is this ineligible? Other grants are a better fit for research and development activities. If the processor had already developed and tested the product and were at the stage of scaling up its production, they could apply for grant funds for specialized equipment they need for production or packaging.*
4. *A farmer seeks to add to their income by bottling and marketing their milk. They wish to purchase a bottling line and pasteurizer.*
  - a. *Why is this ineligible? While a bottling line and pasteurizer are allowable equipment, this grant is focused on expansion of existing processors. Other grants are a better fit for new and start-up processors.*

### 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 \$100,000, the applicant must demonstrate at least \$25,000 in match. Matching funds may be contributed by the applicant or by another organization. Applicants can use other funds (state or loan, other non-Federal money) as a match to this project as long as there is not any such restriction in the agreements for those funds. The 25% required match may be any combination of cash and in-kind funds in any expense category, and may cover costs ineligible for grant funds, such as construction. Match funds must be expended within the grant period.

**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.

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**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 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.

**Example of an eligible budget:**

Expense Category	Grant Funds Requested	Applicant Contribution - Cash Match	Applicant Contribution - In-kind Match	Project Total
Specialized Equipment	\$80,000.00	\$12,000.00	\$0.00	\$92,000.00
Supplies	\$13,000.00	\$6,000.00	\$0.00	\$19,000.00
Contractual/Consultant	\$0.00	\$3,000.00	\$0.00	\$3,000.00
Training	\$2,000.00	\$0.00	\$0.00	\$2,000.00
Travel	\$0.00	\$0.00	\$0.00	\$0.00
Personnel	\$0.00	\$1,500.00	\$0.00	\$1,500.00
Fringe	\$0.00	\$0.00	\$0.00	\$0.00
Other	\$5,000.00	\$1,500.00	\$1,700.00	\$8,200.00
<b>TOTALS</b>	<b>\$100,000.00</b>	<b>\$24,000.00</b>	<b>\$1,700.00</b>	<b>\$125,700.00</b>

## LETTERS OF SUPPORT/COMMITMENT

At least one letter of commitment or support is **required** for this pre-application. Additional letters will be required if the applicant is invited to submit a full application.

**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 or community at large.

## SUPPORTING DOCUMENTATION

The applicant should 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/organization or the project.

- Quotes or bids are **required** for all specialized equipment purchases and installation services covered by grant funds.

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To further increase the competitiveness of your application, upload any documentation that shows the development of the project idea, partnerships, funding received, and/or the viability of your business. Examples can include but are not limited to: previous work that this project will build upon, evidence of marketplace demand, bids, or other documentation that provides further context for your proposed project.

### HOW TO APPLY

All pre-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 March 16 – May 11, 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.

We strongly advise that you submit your application ahead of the deadline. Be advised that technical assistance with WebGrants may not be available shortly before deadlines; please plan accordingly.

### APPLICATION REVIEW

Applications will each be reviewed by a multi-state NE-DBIC advisory committee comprised of representatives from Northeast state agriculture agencies/departments, agriculture extension agencies, and dairy sector stakeholders. Three reviewers will be assigned to score each application. Funding decisions are made according to scoring, reviewer comments, past grant performance, and with consideration to diversity across geography, herd/milk type, size of operation, and impacts beyond the grantee.

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 9 – 15 months in length.

### KEY DATES

#### DATES MAY BE SUBJECT TO CHANGE

<b>January 31, 2023</b>	Request for Application (RFA) released
<b>February 16, 2023</b>	Application questions and scoring criteria released
<b>March 16, 2023</b>	Pre-application opens
<b>May 11, 2023 at 2:00 PM ET</b>	Pre-application closes
<b>June 2023</b>	Applicants notified of pre-application decision; invitations to submit full application
<b>August 2023</b>	Full application closes

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<b>September 2023</b>	Applicants notified of award decisions
<b>November 2023</b>	Expected start of grant
<b>Depends on grant project</b>	Interim report due
<b>Depends on grant project (estimated to be between Aug 2024 – Feb 2025)</b>	Project end date
<b>30 days after end of project</b>	Final report and survey due

## **II. FULL PRE-APPLICATION**

The full pre-application will be available on February 16, 2023.

## **III. PRE-APPLICATION SCORING CRITERIA**

The full pre-application scoring criteria will be available on February 16, 2023.

## **IV. FULL APPLICATION**

Additional information about the full application will be available on February 16, 2023.

## 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: 60%** 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: 20%** 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

The following reporting is required under this grant program:

1. Grantees will submit an Interim Performance Report mid-project which may include but is not limited to:
  - a. Summary of status of grant activities
  - b. Description of successes and challenges
  - c. Discussion of any modifications deemed necessary and justification for changes
  - d. Documentation of any marketing/promotion of project
  - e. Photos/documentation that demonstrates grant activities.
  - f. Expenditures to date
2. Grantees will submit a Final Performance Report and complete a survey no later than thirty (30) days from the grant end date. Final reports may include but is not limited to:
  - a. Summary of achievements from this project including impacts on the community, public, and other businesses/organizations
  - b. Description of any challenges or changes to the project
  - c. Lessons learned from this project
  - d. Opportunities that arose from the completion of this project
  - e. Plans to build on the work completed under this grant
  - f. Representative documentation and photos representative of the full breadth of activities under this grant
  - g. Final grant and match expenditures
  - h. Project outcomes:
    - i. Number of project beneficiaries reached
    - ii. Number of project beneficiaries that buy, sell, aggregate, store, produce or distribute dairy products
    - iii. Number of project beneficiaries that gained knowledge on how to access, or produce dairy products
    - iv. Increases in sales
    - v. Increases in revenue
    - vi. Increases in dairy activities
    - vii. Increases in dairy production and/or innovative marketing strategies
    - viii. Number of jobs maintained/created
    - ix. Whether there were any new or beginning farmers that began producing dairy products due to this grant, and how many
    - x. Level of satisfaction/outlook for the future of your business before and after the grant
    - xi. If grantee is a farmer, which of the following did they experience?
      1. Reduced cost of production
      2. Increased lifestyle satisfaction
      3. Improved water quality
      4. Increase soil health

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- xii. Number of the following outlets that were used to increase the public consumption of, and access to, dairy products because of this grant project: farmers markets, roadside stands, agritourism activities, grocery stores, wholesale markets, other markets.
- xiii. Results of grantees-provided measurements of success
- i. If grantee purchased special purpose equipment with grant funds, they must complete the following Federal forms with their final report:
  - i. Tangible Personal Property Report
  - ii. Supplemental Sheet
- j. Reporting on any program income generated by the grant activities.

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*

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*\$2,000,000 General Aggregate*

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

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

*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.*