# Goat & Sheep Dairy Supply Chain 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 request for applications for the full 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 or 802-585-4571.

| QUESTIONS | ANSWERS |
|---|---|
| Can I apply if my dairy animals are something other than cows, goats, and sheep? | Yes, applications for agritourism activities that include any dairy animals are eligible as long as the business is a dairy producer or processor. |
| How do you define a "dairy processer"? | 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).<br><br>Alteration to raw milk, including pasteurization, which results in a dairy product for the purpose of human consumption is considered value-added processing. |
| What if I don't know if I am regulated by the PMO? | If you aren't sure, you should reach out to your state dairy inspector. |
| 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) nor saleable across state lines and is therefore ineligible for grant funds through this federally funded grant program.<br><br>However, if your processing business sells both fluid raw milk (regulated by state) and manufactured products (regulated by PMO), grant funds can support work that supports products regulated by the PMO. |

| | |
|---|---|
| | In the case that your raw fluid products will benefit from the work done under your project that primarily benefits PMO-regulated products (eg. business rebrand, website design, etc.) you will need to demonstrate that your matching funds cover the portion of your work that benefits non-PMO regulated aspects of your business.<br><br>*Example: If you seek to have a website and ecommerce platform design and 10% of your sales are of raw fluid milk, your match should include funds to cover 10% of the website/ecommerce design.* |
| 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.<br><br>*Producer associations do NOT include conservation districts, commerce organizations, or governmental organizations.* |
| What is a DUNS number and how do I get one? | A DUNS number 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. |
| What is SAM.gov? | SAM is a web-based, government-wide application that collects, validates, stores, and disseminates business information about the federal government's trading partners in support of grants. You must have a DUNS number before applying for SAM registration: www.sam.gov |
| 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.  See the Matching Funds section of the RFA to learn more and see how to fully capture this in your budget. |
| Can one of my partners have the cash match flow through their organization inside of through my own? | Yes, as long as they are identified as a partner business/organization in the application, match may be managed by another business/organization.<br><br>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. |

| How do I know if my contractor charges an hourly rate that does not exceed a GD-15 step 10? What does that mean? | 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 2021 General Schedule. However, some localities may have a higher rate allowed. Check to see if your contractor is located in a Locality Pay Area in which there is a Localized Pay Schedule. |
|---|---|
| | The contractor's hourly pay is separate from any additional travel expenses, fridge benefits, indirect costs, or other expenses. |
| | If your contractor's hourly rate exceeds the rate, 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. Justification should align with 2 CFR § 200.317 - 326. |
| Can I hire a contractor that charges a flat rate instead of an hourly rate? | Yes, a flat rate is acceptable for a contractor, assuming that the contractors scope of work seems reasonable for the fee charged. |
| Can I apply if I do not have a computer or access to internet? | Unfortunately, we are not able to accept paper applications, reports, or invoices for this grant program. If you would like to apply, we recommend reaching out to a business viability organization in your state to learn about resources available to you regarding application assistance. |
| 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. |
| 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 the grant to cover things like wages or supplies related to the project instead. |
| 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. |
| 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 I apply for an in-person event that 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 marketing expenses are confusing as to what they can and cannot cover. Can you give more details? | Generally, marketing expenses can be covered if they do not promote just one brand.<br><br>Please see the eligible expenses breakdowns at the bottom of this document for more detail. |
| The grant says that it cannot cover construction or equipment costs, but infrastructure is really where I need support. Is there a way to get grant funds for my project? | 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 components that are under $5,000. (See Eligible Expenses sections below.)<br><br>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. |

# 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.

Please note that the following is a summary of the most common expenses that we receive questions about. For the entirety of eligible and ineligible costs, refer to the AMS 2020 Terms & Conditions (pg. 8-16).

| | Eligible Expenses | Not Eligible |
|---|---|---|
| **Contractor/Consultant** | • Marketing/branding professional 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 | • Contractors charging over the salary of a GS-15 step 10 Federal employee in the contractor's area, unless sufficient justification is provided (see more information above in the Q&A) |
| **Equipment** | • Rental Equipment<br>• Expenses that cost under $5,000 are considered to be "Supplies"<br>• Equipment that can be reasonably broken down into separately purchased | • Purchase of general equipment over $5,000 is not covered by this grant |

| | | |
|---|---|---|
| | components--if under $5,000 per component—each component may be considered a "Supply"<br>• Specialized equipment which is used only for research, scientific, or technical activities | |
| **Supplies & Materials** | • Product packaging, if related to the agritourism activities<br>• Printing cost of preparing informational leaflets, reports, manuals, and publications relating to the project | • Walls in milk room/milk plant<br>• Plumbing |
| **Marketing Expenses** (covered in the "Other" section of the Budget and Budget Narrative) | • Promotion of dairy products<br>• Printing and distribution of marketing materials<br>• Advertisement of an event, activities, or promotion<br>• Computing devices under $5000<br>• App/website development<br>• Meeting rooms, demonstrations, exhibits, space rentals<br>• Food for displays | • Reimbursement for the discount covered by a coupon or price reduction<br>• Sponsorships<br>• Branded items solely for giveaways |