

# Organic On-Farm Milk Storage & Handling Grant

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## 2022 REQUEST FOR APPLICATIONS

The [Northeast Dairy Business Innovation Center](#) (NE-DBIC) announces the availability of funds through the Organic On-Farm Milk Storage & Handling Grant program, which will provide grants for organic dairy farmers to access funds that support the purchase of equipment and other related costs that will improve milk storage, handling, and energy efficiencies. Applicants may select from a pre-approved list of eligible equipment and supplies. Projects funded by this grant will streamline milk pick up, create efficiencies around milk storage, and improve handling for both farmers and their processors. Successful applications will show reduced costs to the farmer and will improve efficiencies around the movement of milk, reduce frequency of milk pick up, and/or otherwise meet processors' needs for improved storage and handling. Priority will be given to farmers that are transitioning to a new processor for investments they need to make to meet their new processor's requirements.

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: December 13, 2022

Application Opens: December 13, 2022

Application Deadline: February 9, 2023 at 2:00 PM ET

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# CONTACT

## PROGRAM QUESTIONS

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## WEBGRANTS TECHNICAL ASSISTANCE

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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 (VAAFAM) 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 \$38.77 million to support projects in the Northeast region of the U.S.

### **ELIGIBILITY SUMMARY**

Licensed and certified organic dairy farmers (producers) 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.

### **AVAILABLE FUNDS**

Up to \$450,000

### **MINIMUM & MAXIMUM AWARD**

Minimum: \$10,000

Maximum: \$50,000

Match: A 25% (cash and/or in-kind) match commitment is encouraged. Match waivers are available for those needing them.

*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 6 - 12 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 Organic On-Farm Milk Storage & Handling grant program aims to support the needs of organic dairy farmers to meet processor hauling and quality demands; and for farmer-processors to be able to improve and expand their own movement of milk for increased operational efficiencies and cost savings. This grant provides farmers with the opportunity to purchase new, energy efficient bulk tanks, milk cooling equipment, direct load systems and other pre-approved equipment, to ensure that they are ready and able to meet processor hauling and quality demands. Funds will be available to organic farms at all scales who can demonstrate the need to move toward increased capacity and/or improved handling capabilities.

Priority will be given to those farmers who have recently transitioned or will be transitioning to a new processor. Further priority will also be given to projects which are necessary to meet new processor requirements, including but not limited to moving from everyday pick up to every other day pick up.

The NE-DBIC **cannot fund** projects for which funds have already been paid out prior to notification of a grant award. Please do not purchase any equipment or supplies that you are including in your grant application.

### ELIGIBILITY

#### ELIGIBLE APPLICANTS

Applicants eligible for these funds are dairy farmers (producers) that:

- 1) are headquartered or based in the Northeast; and
- 2) produce certified organic milk within the Northeast; and
- 3) are licensed dairy operations in compliance with all required state and/federal standards.

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

- Certificate of Insurance listing the VAAFM as an additional insured
- Current IRS Form W-9
- 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.***

#### FUNDING PRIORITIES

Project approaches should address at least two (2) of the following funding priority areas:

- Applicant is a certified organic dairy that will need to, or has already had to, transitioned to a new processor
- Project will allow applicant to be more compliant with processor requirements
- Project allows a farm to move from everyday pick up to every other day pick up
- Decreases time it takes to move milk onto the truck

## SECTION I: PROGRAM OVERVIEW

- Project will provide cost-savings to the farm
- Project will increase energy efficiencies on farm
- Project improves food safety measures
- Applicant leverages other programs to supplement grant funds (e.g., Farm Service Agency low-interest loans for on-farm commodity storage, other grants)

### ELIGIBLE PROJECTS

Project activities under this grant will assist dairy farms in the purchase of new, energy efficient bulk tanks, milk cooling equipment, and direct load systems to ensure that they are ready and able to meet processor hauling and quality demands. Projects must show that they will address inefficiencies around labor, energy, and product waste as it relates to the movement of milk to processing.

Projects should focus on increased storage capacity and improved handling in areas that may include, but are not limited to:

- Ensure organic farmers can continue shipping their milk, or transition to a new processor
- Move from once-a-day pick up to every-other-day pick up of milk
- Reduce costs related to fuel, hauling charges, and energy use to farmer and processor
- Reduce the risk of a farmer needing to dump milk
- Decrease the amount of time and labor to move milk
- Make milk pick up easier for a processor
- Reduce trips between farm and processing facility
- Reduce milk handling by increasing milk transfer efficiencies
- Increase farm storage to allow for larger batch sizes.

### REQUIRED PROJECT CRITERIA

Effective applications will address the following:

1. Applicant shows why it is necessary for their business to purchase the equipment and any additional costs.
2. Applicant shows that the project will have significant impacts on their business including, but not limited to, cost savings, energy savings, and efficiencies in moving milk.
3. If the applicant ships milk, their application demonstrates that the project aligns with their processor's needs, with a letter of support from the processor that addresses the required information (see Letters of Support section below).
4. If the applicant processes all their own milk, their application demonstrates the viability impacts this project will have on their business.

Projects must meet the following criteria to receive funds:

- 1) **REQUIRED:** At least 75% of grant funds should be used towards the purchase of 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:

## SECTION I: PROGRAM OVERVIEW

- a. Milk storage tanks, including bulk tanks and milk silos
  - b. Milk pipelines
  - c. Upgraded glycol chillers
  - d. Farm milk loading systems, including:
    - i. Direct load systems
    - ii. Flow stream systems (e.g., Piper System) for improving the rate at which milk is loaded at the farm by installing systems that are equipped with high-speed pumps
    - iii. In-line sampling systems for direct loading and in-line weight measuring systems
  - e. Reclaim systems for water and watering systems (e.g., on-demand tanks)
  - f. Purchase or upgrade of cooling equipment
  - g. Plate coolers and heat exchangers
  - h. Equipment installation services (e.g., plumbing in equipment or hooking up electrical for the equipment purchased; does not cover construction aspects of installation)
- 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 that otherwise addresses on-farm issues of milk storage capacity, milk handling, and/or increasing energy efficiencies for milk storage or handling. This can include:
- a. Other 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, clean-in-place system, sinks
  - b. Training on the use of new equipment
  - c. Personnel & Fringe
  - d. Travel to source or pick up equipment
  - e. Other: shipping costs, rental of general use equipment (not for construction)

### EXAMPLES: ELIGIBLE PROJECTS

1. *Farmer has received notice that they will need to transition to a new processor and needs to purchase a larger bulk tank and high-speed pump to be compliant with a new processor's need to decrease the number of stops and stop time.*
2. *A farmer has already transitioned to a new processor who is requiring improvements in milk quality and the purchase of pre-approved equipment like a plate cooler or milk pipeline will help to be compliant with milk quality standards.*
3. *Farmer works with their processor to determine the best purchases to make that will streamline milk pick up. Together, they determine that a direct load system and larger bulk tank will increase efficiencies and reduce costs for both the farmer and processor.*
4. *A farmer currently uses a dump station in their tie stall barn and wants to convert to a pipeline to increase efficiency and improve milk quality. At the same time, they will purchase a larger bulk tank, new receiving jar, clean-in-place system, on-demand hot water heater, and plate cooler to further improve milk handling and quality.*
5. *A farmer's bulk tank is no longer efficiently or effectively keeping their milk chilled. They are purchasing a new bulk tank and chart recorder to improve milk quality and increase food safety and will also use funds to have it installed.*

### 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 use grant funds for:
  - Construction
  - Purchase or lease-to-own of land/building/facilities
  - Purchase of general equipment (specialized equipment is allowable)
  - Purchase of vehicles
  - Unallowable costs/activities as outlined in the [2021 AMS Terms and Conditions](#) (8.0 Allowable Costs and Activities).
- Projects not being done by certified organic dairy farmers
- Projects that include purchases already made by the grantee

### EXAMPLES: INELIGIBLE PROJECTS

1. *A farmer wants to tear down a wall of their barn to move old equipment out and install a new, larger bulk tank and build a new wall.*
  - a. *Why is this ineligible? While the purchase and installation of a new bulk tank is covered by this grant, construction is not. The farmer could access alternative grant or loan funds to pay for the tear down and reconstruction of the wall and this grant could pay for the equipment and installation.*
2. *A farmer-processor wants to increase the amount of processed product that they produce in their facility. They request funds to purchase a bottling line.*
  - a. *Why is this ineligible? Only the pre-approved list of equipment with the purpose of storing and handling of raw product is covered by this grant. There are other processor-focused grants through the NE-DBIC that are a better fit for on-farm processing expansion.*

### 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

## SECTION I: PROGRAM OVERVIEW

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.

Match funds should be expended within the grant period.

### 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

For all applicants who ship milk, at least one letter of support is required for this application from the applicant's processor.

### Dairy Processor Letter of Support should include the following information:

- Description of current processor relationship with the applicant including milk pick up frequency, volume, etc.
- Description of how the activities of this grant will benefit the processor
- Description of how the processor relationship will change with these improvements including milk pick up frequency, volume, etc.
- Processor should indicate that the project as proposed will ensure the farm is compliant with their production standards.

Additional letters of support are welcome, but not required.

Applicants that process all their own milk are exempt from this requirement.



## SECTION I: PROGRAM OVERVIEW

### LETTERS OF COMMITMENT

Letter(s) of commitment are required from any match contributors that are outside of the applicant's business.

**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).

If there are no match sources outside the applicant's business, the applicant is exempt from this requirement.

### SUPPORTING DOCUMENTATION

The applicant will be asked to 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.
- Documentation showing that the applicant is certified organic is required

### HOW TO APPLY

All applications must be submitted via the WebGrants system at [agriculturegrants.vermont.gov](http://agriculturegrants.vermont.gov). No paper applications will be accepted. Applications will be accepted from December 13, 2022 – February 9, at 2:00PM 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.

Organic producers who applied to the On-Farm Storage and Handling Grant between August and October 2022 will be able to use most of the answers in that application to apply to this program. However, we do encourage you to account for feedback that was received, and to note where a few questions were added to this application which were not in the previous round.

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.

## SECTION I: PROGRAM OVERVIEW

### KEY DATES

#### DATES MAY BE SUBJECT TO CHANGE

<b>December 13, 2022</b>	Request for Application (RFA) released
<b>December 13, 2022</b>	Application released
<b>February 9, 2023</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 October 31, 2023 and April 30, 2024, depending on the 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.

### APPLICANT INFORMATION

#### Applicant Information

- Business/organization name, legal entity (e.g., LLC, sole proprietor, etc.), primary contact information

#### Applicant Eligibility

- Is the applicant headquartered or based in a Northeast state (CT, DE, MA, ME, NH, NJ, NY, PA, RI, or VT)?
- Is the applicant a certified organic dairy producer?
  - *Only certified organic farms are eligible to be funded through this grant.*
- Does the applicant source or produce milk that originates within the Northeast?
- Is the applicant a licensed dairy operation in compliance with all required state and federal standards?
- What dairy animals make up your herd/flock?
- How many milking animals do you maintain?
- Describe your long-term goals for your farm and what are you doing to achieve those goals?
- Does the applicant ship milk to a dairy processor?
- Will the applicant transition to a new processor between 2021 and 2023? If yes:
  - *Please include estimated date of transition, name of the new processor, reason for the transition, and any other relevant details.*
- Does the applicant process their own milk?
- Describe your farm operation in terms of size (gross sales, number of employees, production volume), markets, and number of years in business.

#### Entity History

- Has your business/organization received any federal or state grant in the past 5 years?
- Have you or your project partners received any (federal, state, or other) grants **for this specific project** in the past 5 years? If yes:
  - List the grants received.
  - Describe the work done under these grants.
  - How will the work in this grant differ from and/or build upon that work?
- Have you applied for, or do you plan to apply for, other grant(s) in conjunction with this grant? If yes:
  - Please list the other grants you will apply for/have applied for in conjunction with this grant.

## SECTION II: FULL APPLICATION

- The Farm Service Agency offers low-interest loans for on-farm commodity storage. Have you been in contact with your FSA representative?
- Will you be using loans to supplement this application?
- Has your business ever been unable to complete or adhere to granting requirements for a grant you were awarded? If yes:
  - Describe the circumstances that prevented you from completing/adhering to the requirements of your grant(s).
- Describe why you and your staff are qualified to complete this project, as proposed.
- Rate your business's experience in implementing similar past work/projects related to milk storage or handling improvements. (*Select from dropdown: significant experience, some experience, no experience*)
- Do you currently work with a farm business planner to support the financial health and future planning for your business? If so, enter their name and organization.
- Have you received technical assistance in preparation of the project, or do you plan to receive related technical assistance during this grant project? If so, list name and organization.

## PROJECT DESCRIPTION

### Project Details

- Summarize your project in a couple of sentences.
- What are the challenges that your farm is facing that this grant project will address?
- Describe your proposed project including what you will pay for with these grant funds and any matching funds.
- What are the major impacts for your farm if you receive this funding?
- Do you expect to see cost savings or energy savings from this project?
- Please give any information about your anticipated cost savings or energy savings.
- What would be the consequences of not receiving this funding?
- Provide a projected workplan/timeline of your project activities.
  - *Provide at least 3 key accomplishments that will happen during the grant that will show that the grant project is progressing.*
- To increase the competitiveness of your application, select any/all the funding priorities addressed in your proposed project:
  - Applicant is a certified organic dairy that will need to, or has already had to, transition to a new processor
  - Project will allow applicant to be more compliant with processor requirements
  - Project allows a farm to move from everyday pick to every other day pick up
  - Decreases time it takes to move milk onto truck
  - Project will provide cost-savings to the farm
  - Project will increase energy efficiencies on farm
  - Project improves food safety measures
  - Applicant leverages other programs to supplement grant funds (e.g., Farm Service Agency low-interest loans for on-farm commodity storage, other grants)

## SECTION II: FULL APPLICATION

### Letters of Support from Applicant's Dairy Processor

**For all applicants who ship milk**, at least one letter of support is required for this application from the applicant's processor.

**Dairy Processor Letter of Support** should include the following information:

1. Description of current processor relationship with the applicant including milk pick up frequency, volume, etc.
2. Description of how the activities of this grant will benefit the processor
3. Description of how the processor relationship will change with these improvements including milk pick up frequency, volume, etc.
4. Processor should indicate that the project as proposed will ensure the farm is in compliance with their production standards.

Additional letters of support are welcome, but not required. Applicants that process all of their own milk are exempt from this requirement.

### Letters of Commitment

Please add a Letter of Commitment for any match contributors outside of the applicant's business that are secured at the time of the 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).

If there are no match sources outside the applicant's business, the applicant is exempt from this requirement.

### Supporting Documentation

Upload the following:

- 1) (Required) A current quote for each piece of specialized equipment (and any associated installation costs) requested in this grant. Specialized equipment should be identified from the list of pre-approved equipment in the RFA and costs over \$5,000.
- 2) (Required) Documentation of the applicant's certified organic status.
- 3) Any additional information that shows the impacts of this grant such as evidence of cost or energy savings, impact on business viability, or other relevant information about the business or the project. etc.

## BUDGET

*Please complete the following budget table, listing all grant requests and match contributions. Totals will appear once the grid has been saved.*

## SECTION II: FULL APPLICATION

- **Allowable Costs:** At least 75% of all requested grant funds must be used for the purchase and installation of pre-approved specialized equipment (may include installation costs) and supplies, which can be found in the RFA. Grant funds requested must align with the allowable costs detailed in the 2021 AMS Terms and Conditions.
- **Match contributions:** Projects are encouraged to provide at least 25% in match as cash and/or in-kind sources. (e.g. \$20,000 of requested funds requires at least \$5,000 in match contributions.) Match does not need to adhere to AMS allowable costs.

### Budget Table (example)

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>

## BUDGET NARRATIVE

- Total funds requested and amount of matching funds.
  - *Must be between \$10,000 and \$50,000*
- List each 1) match source, 2) each contribution amount (and specify if it is cash or in-kind), and 3) describe how the contribution will be used to accomplish your project activities. *Note that all outside match contributors must provide a letter of commitment for their match.*
- Are all matching funds/contributions committed at this time?
  - If not, provide the sources and timeline/plan for securing these commitments
- Are you requesting a match waiver for this grant? If so, describe why you need a match waiver accommodation. *While match waivers will be considered, applicants are encouraged to leverage other grants or low-interest loans to supplement this project.*

Complete the following questions **only for expenses that are covered by grant funds** (not matching funds, which should be detailed in questions above). Please thoroughly describe each category for which you are requesting grant funds, answering all parts of each question.

- Specialized equipment: List each piece of equipment (with description if needed) and for each, indicate: 1) grant funds requested per piece, and 2) justification for how this equipment is

## SECTION II: FULL APPLICATION

necessary for the success of this project. **Equipment is considered any one item which costs over \$5,000, otherwise it should be categorized as supplies.**

- Are 'Supply' expenses included in the 'Grant Request' column of your above budget? *Supplies include materials, supplies, and fabricated parts costing less than \$5,000 per unit.* If yes:
  - Supplies: List each supply (with a description if needed). For each, provide: 1) per unit cost, 2) # units purchased, 3) grant funds requested, and 4) justification for how this supply is necessary for the success of this project
- Contractual/Consultant: List each anticipated contractor/consultant. For each, provide: 1) hourly/flat rate, 2) grant funds requested, 3) detailed description of services, and 4) justification for why the services are necessary for the success of this project.
- Are 'Training' expenses included in the 'Grant Request' column of your above budget? If yes:
  - Training: for each training, provide 1) description, 2) estimated cost, and 3) justification for how the expense is necessary for the success of this project
- Are 'Travel' expenses included in the 'Grant Request' column of your above budget? *Such as travel to source and/or pick up equipment.*
  - Travel: For each trip: 1) list expense types (airfare, car rental, hotel, meals, mileage, etc.) and associated grant funds requested, 2) number of travelers, and 3) justification for how this travel is necessary for the success of this project.
- Are 'Personnel' expenses included in the 'Grant Request' column of your above budget? *Personnel costs are for owners or staff time directly related to the grant project.*
  - Personnel: for each individual whose time can be directly attributed to grant activities, provide 1) individual's title and role, 2) hourly rate, 3) expected number of hours, 4) grant funds requested
- Are 'Fringe Benefit' expenses included in the 'Grant Request' column of your budget? If yes:
  - Fringe Benefits: for each of the project's salaried employees, provide the 1) fringe benefit rate and 2) grant funds requested.
- Are 'Other' expenses included in the 'Grant Request' column of your budget? *Such as shipping costs.* If yes:
  - Other: Include any expenses not covered in any of the previous budget categories. Be sure to break down costs into cost/unit and provide justification for how the expense is necessary for the success of this project. (*E.g. meetings/conferences, communications, rental expenses, ads, publication costs, data collection.*)

### Expected Outcomes

- How will you know that this project was successful?
  - *E.g., % reduction in areas such as electric/water usage, milk dumped, bacterial counts, milk cooling period, stop charges.*
- As a result of this grant, do you expect an increase in sales for your business? If so:
  - What is the percent increase in sales that you anticipate from these grant activities for your business? (*E.g. If your sales were \$50,000 before & \$60,000 after:  $(\$60,000 - \$50,000) / \$50,000 \times 100 = 20\%$* )

## SECTION II: FULL APPLICATION

- As a result of this grant, do you expect an increase in revenue for your business/organization? If so:
  - Please estimate the increase in revenue (in \$)
- How many jobs are expected to be maintained due to this grant?
- How many jobs will be created because of this grant project?
- Will the volume of milk moving into the supply chain increase due to this grant project? If so, Estimate percent increase over your business's current volume. How many jobs are expected to be maintained and/or created because of this grant project?



### III. SCORING CRITERIA

#### REVIEWER SCORING CRITERIA

##### Project Proposal (75 points)

Project overview and workplan illustrates an impactful and realistic project that will improve the farm’s long-term ability to address inefficiencies around labor, energy, and product waste as it relates to the movement of milk to processing. Applicant provides clear and relevant reasoning for timely need for funding.	20 points
Applicant shows that the project will have significant impacts on their business including, but not limited to, cost savings, energy savings, and efficiencies in moving milk.	15 points
All required letters of support from processors, letters of commitment, and supporting documentation meet the requirements outlined in the RFA and clearly illustrate that the grant funds will be a sound investment.	20 points
Applicant has leveraged other resources to support this grant project such as technical assistance, business assistance, partnerships, loans, and/or other grants.	10 points
Applicant demonstrates that their project is well-aligned with funding priorities and provides details to support that.	10 points

##### Budget and Expected Outcomes (25 points)

Budget and budget narrative are realistic and sufficient to accomplish the work proposed.	15 points
Applicant has leveraged the required percentage of match contribution or has provided a clear and compelling justification for why a match waiver is needed.	10 points
Applicant provides reasonable expected outcomes via: <ol style="list-style-type: none"> <li>1. A useful plan for evaluating the success of their project including appropriate metrics to track.</li> <li>2. Proposal includes at least one (1) of the following:                     <ul style="list-style-type: none"> <li>• Increase in sales</li> <li>• Increase in revenue</li> <li>• Job creation and/or retention</li> <li>• Increase in volume of milk moving into the supply chain</li> </ul> </li> </ol>	10 points

## 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 expenditures
  - h. Project outcomes:
    - i. Results of grantees measurements of success
    - ii. Sales increases
    - iii. Increases in revenue
    - iv. Jobs maintained/created
    - v. Volume of milk moving into supply chain
3. A post-grant survey will include questions which pertain to metrics regarding the following:
  - a. Increase in consumption of and access to dairy projects
  - b. Increase in sales of dairy products
  - c. Development of new market opportunities for dairy producers and processors
  - d. Dairy farmer/processor satisfaction of grant activities

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

NE-DBIC via VAAFAM 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*

*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.*