

Dairy Processing Research & Development Innovation Grant – Extended Deadline

2023 REQUEST FOR APPLICATIONS

The [Northeast Dairy Business Innovation Center](#) (NE-DBIC) announces the availability of funds through the Dairy Processing Research & Development Innovation Grant program. This grant will provide funds for dairy processors, dairy producer associations, and educational institutions to conduct research and development projects that support innovation for Northeast dairy processors across a variety of scales. Projects funded through this program will support dairy processors in gaining knowledge that will allow them to make informed, long-term business investments with positive environmental and/or economic impacts.

Funded projects will be centered on developing alternatives to current industry standards through projects that are applicable, scalable, and replicable to other Northeast dairy processors. All projects will include an educational or information sharing component for other regional dairy processors.

Topic areas may include, but are not limited to:

- Sourcing
- Novel product development or enhancement
- Alternative packaging
- Alternative production solutions
- Distribution and supply chain logistics
- Operations
- Marketing

Licensed dairy processors and producer associations from the Northeast are invited to apply. Educational or research institutions may apply but are required to partner with a minimum of two Northeast-based dairy processors.

The Northeast region, for the purposes of NE-DBIC programs, includes the following states: Connecticut, Delaware, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, and Vermont.

KEY DATES

RFA Release Date: January 10, 2023

Application Opens: January 26, 2023

Application Extended Deadline: March 30, 2023 at 2:00 PM ET

CONTENTS

I. PROGRAM OVERVIEW	4
II. FULL APPLICATION	143
III. SCORING CRITERIA	20
IV. GRANT MANAGEMENT & REPORTING	21

CONTACT

PROGRAM QUESTIONS

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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 (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>. 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 United States.

ELIGIBILITY SUMMARY

Licensed dairy processors and producer associations from the Northeast are invited to apply. Educational or research institutions may apply but are required to partner with a minimum of two Northeast-based dairy processors.

MINIMUM & MAXIMUM AWARD

Minimum: \$75,000

Maximum: \$250,000

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

Grant funds will be distributed to grantees over three payments throughout the course of the grant project. Unless otherwise arranged with the grant program manager, default payment structure of this grant is 60% of grant funds upfront, 20% of funds mid-project, and 20% of funds once the grant is complete.

TOTAL AVAILABLE FUNDS

\$1,000,000

PROJECT LENGTH

Approximately 12 months.

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, 21DBIVT1004-00.

FUNDING OPPORTUNITY DESCRIPTION

BACKGROUND

This grant is intended to support the research and development necessary to position Northeast dairy processors to make long term, impactful shifts in their businesses as it relates to economic and environmental sustainability.

Small and medium sized processors that produce most specialty dairy products in the Northeast are widely respected for their ability to produce high-quality items that support their local dairy farmers. These businesses compete for market share and consumer attention with larger dairy producing states and nations, which may have marketing support dollars that far surpass what this region can generate while also being able to capitalize on cost-efficiencies from being at a larger scale.

At the same time, key consumer demographics are shifting toward purchasing products that support small businesses, rural communities, and those which have direct, positive impacts to the climate. The top five reasons consumers switch brands include: their desire to support local businesses, selecting brands with perceived or actual higher quality, support for products that are more sustainable or better for the environment, support for brands that share their personal values, and selection of products that are natural or organic. For existing Northeast processors to remain viable and support new dairy businesses, they need to be able to compete via product and business differentiation that appeals to consumer preferences.

ELIGIBILITY

ELIGIBLE APPLICANTS

Applicants eligible for these funds must fall into at least one of the following categories:

1. Dairy processors that transform raw milk sourced from the Northeast region into an edible product and are:
 - a. 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
 - b. headquartered or based in the Northeast.
2. Dairy producer association/dairy council¹ which represents and promotes dairy products and dairy businesses of the Northeast.

¹ For the purposes of this grant a producer association group, also known as a trade association, industry trade group, business association, sector association or industry body, is an organization that: 1) was founded, 2) is funded by businesses that operate in a specific industry related to the dairy industry. Associations receiving the majority of their funds from producer check-off dollars are not eligible.

SECTION I: PROGRAM OVERVIEW

3. Educational/research institutions that partner with at least two dairy processors, as defined above.

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

- Certificate of Insurance listing VAAFMM as an additional insured
- Current IRS Form W-9
- Unique Entity Identifier (UEI) number acquired via *SAM.gov*. *Applicants who do not already have a UEI number are strongly encouraged to start this process during the application period to ensure a timely start to their grant, if awarded. **There may be significant delays.***

FUNDING PRIORITIES

Project approaches should address 1-3 of the following funding priority areas:

1. Reuse or integration of dairy waste byproducts (such as whey or permeate) or underutilized products (such as skim milk) into new products or processes
2. The development of novel dairy products and/or production processes
3. Scalability/accessibility of processes or technology solutions that will benefit small and mid-sized dairy processors
4. Projects that leverage existing science, research, and/or knowledge
5. Projects that engage qualified professional services and/or institutions with significant background in the proposed topic (e.g., research institutions, third party certifiers)
6. Highly collaborative projects that leverage partnerships across dairy and manufacturing
7. Development of processes or products that reduce energy consumption or climate impacts

ELIGIBLE PROJECTS

Projects funded by this program will assist dairy processors to develop innovative solutions that enhance the long-term sustainability of their business and add resiliency to the Northeast dairy sector.

Competitive projects should seek to research and develop products, processes, or technologies that are novel or uncommon and address issues that are relevant to more than one Northeast processor, rather than solely benefiting the applicant's business. For instance, an applicant may wish to research the development of a new value-added product. While adding a common product such as cow-milk Greek yogurt to an already saturated market would not be considered innovative, if the applicant could show that they have a source for goat's milk and a market ripe for a goat milk Greek yogurt product, a project that supports developing these relationships and product/production development would be considered innovative.

Grant funds will support processor-identified needs to better position their business long-term and support the increased resiliency of regional dairy processors. Funded projects will be centered on developing alternatives to current industry standards through projects that are applicable, scalable, and replicable to other Northeast dairy processors. Topic areas may include, but are not limited to, sourcing, novel product development, alternative production solutions, transportation and distribution, supply chain, operations, employee welfare, marketing, and consumer experience.

SECTION I: PROGRAM OVERVIEW

Projects are required to include an information sharing or educational component targeted at small and midsized dairy processors in the Northeast.

Eligible activities and costs may include, but are not limited to:

- Sourcing
 - Models for incentivizing farmers for premium milk for processing
 - Opportunities for sourcing and/or supporting the expansion or transition of farmer production to high premium milk (e.g., goat or sheep milk production, milk produced with no fermented feeds)
 - Use of a regionally underutilized product or processing by-product
 - Increasing processing of Northeast milk that would otherwise leave the region
 - Existing/upcoming solutions and technologies
- Novel product development or enhancement
 - New product development beyond current industry standard (e.g., whey-based beverages)
 - Products that incorporate regionally produced sheep or goat milk
 - Reducing the energy input into a product or process flow
 - Replicability, scalability
 - Development and utilization of native cultures for cheese or yogurt production
- Alternative packaging
 - Early-stage concept and pilot development of new packaging solutions
- Alternative production solutions
 - Utilization of low-value or waste by-products
 - Energy and/or labor efficiency
 - Closed-loop systems
 - Costs of conversion
 - Fees to trial alternative production including rental space, testing/lab fees
 - Infrastructure upgrades to suit the needs of the project:
 - Parts, materials/supplies (except for construction)
 - Replacement parts for tools or equipment
 - Purchase of specialized equipment necessary for the research, scientific, or technical activities of the project
 - Rental of general or specialized equipment
- Distribution and supply chain logistics
 - Development of partnerships or strategies that enhance product movement
- Operations
 - Alternative employee welfare and management
- Marketing
 - Regional or cooperative marketing programs focused specifically on increasing sales of regionally produced dairy products
 - Clear impact of increasing consumption of regional dairy products

SECTION I: PROGRAM OVERVIEW

- Regional marketing appeal and/or consumer packaging awareness campaign development and roll out
- Costs associated with:
 - Technical assistance, trainings, or workshops
 - Professional services/contractors including assessments/feasibility studies/market studies
 - Salaries/wages to perform grant activities
 - Conferences, rental spaces
 - Website, mobile app development
 - Travel

REQUIRED PROJECT CRITERIA

Competitive applications will address the following:

- Application demonstrates that improvements made with this grant funding will result in improved environmental and/or economic outcomes.
- Application explains applicability of the project to other Northeast dairy businesses.
- Applicant clearly outlines their plan to participate in and/or lead educational opportunities about their projects to benefit the broader dairy community.
- Applications from educational/research institutions will include at least two dairy processors as partners to demonstrate the real-world applicability of the project. Partners must provide letters of commitment.

EXAMPLES: ELIGIBLE PROJECTS

- *A cheesemaker partners with a food safety expert and microbiologist to develop and employ a house strain of a particular culture. Cheesemaker will present information about their process and results to their regional cheese guild.*
- *A dairy processor who normally ships the skim milk leftover from their ice cream production to be processed into milk powder for the global market conducts research to develop a part-skim cheese product that is produced and marketed in the region.*
- *A processor works with a group of farmers to develop a community milk house that will enable them to streamline the sourcing of high-quality milk locally and offer a higher price per cwt to the farmer. The processor works with technical advisors to identify the best location, outline milk quality guidelines, and ensure regulatory compliance.*
- *A group of small processors work with a marketing firm to develop a campaign aimed at promoting regional origin and growing local consumption of their products. Together they identify key regional outlets and development strategies to promote the producers' products as a group. A portion of funds goes towards a sales specialist to approach the outlets on behalf of all the producers.*

SECTION I: PROGRAM OVERVIEW

- *A cow dairy producer-processor wishes to find new sources of milk for their products. They work with a local sheep farmer to develop milk quality guidelines that will allow them to purchase sheep milk for a new mixed milk product, increasing regional access to sheep dairy products.*

INELIGIBLE PROJECTS

- Projects which do not directly benefit Northeast dairy businesses
- Projects that solely support the production/sales of raw fluid milk meant for human consumption
- Projects that seek to benefit only one entity
- Development of solely proprietary materials
- Projects that do not integrate at least one dairy processor or producer (or a minimum of two if applicant is from an educational/research institution)
- Projects that request reimbursements for costs already incurred
- Projects that use grant funds for:
 - Construction
 - Purchase or lease-to-own of land/building/facilities
 - Purchase of general equipment (specialized equipment is allowable, with restrictions)
 - Purchase of vehicles (rental vehicles for the duration of the project are allowable)

EXAMPLES: INELIGIBLE PROJECTS

- *A cheesemaker wants to increase their production capacity by adding a second vat-pasteurizer to their production space.*
 - *How could this project be eligible? If the cheesemaker were adding a vat-pasteurizer that would be used to process whey into a marketable dairy product.*
- *A yogurt processor wants to install a new filling line that will increase their processing efficiency and increase their production.*
 - *How could this project be eligible? If the processor were piloting a technology new to the industry that significantly reduced the energy needed to fill their cups.*
- *A large producer wishes to add a new format of a product they already market to their lineup to increase sales.*
 - *How could this project be eligible? Product development projects should demonstrate innovation. Applicant would need to show how a new product would significantly increase access to local dairy products, address a gap in the current market, or utilize an otherwise undervalued product or byproduct.*

SECTION I: PROGRAM OVERVIEW

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 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. The applicant can use other funds (state or loan, other non-Federal money) as a match to their DBI project as long as there is not any such restriction in the agreements for those funds. Other federal funds may not be used as match. 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, applicant labor, and compensation of employees. Labor rates should be in line with current market rates. Applicants using cash match from other grant sources must ensure there is not a restriction in the agreement for using those funds to match federal dollars.

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	\$13,000.00
TOTALS	\$100,000.00	\$24,000.00	\$1,700.00	\$125,700.00

LETTERS OF SUPPORT/COMMITMENT

At least three letters of commitment and/or support are required for this 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).

Letter(s) of Commitment are required from:

2023 Dairy Processing Research & Development Innovation Grant

SECTION I: PROGRAM OVERVIEW

- 1) any match contributors that are outside of the applicant's business and
- 2) for those applications submitted from entities other than dairy processors or producer associations, the application must include letters of commitment from all named dairy processor partners included in the project.

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.

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 applications must be submitted via the WebGrants system at agriculturegrants.vermont.gov. No paper applications will be accepted. Applications will be accepted from January 26, 2023 – March 30, 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 type, size of operation, and impacts beyond the grantee.

See Section III: Scoring Criteria.

SECTION I: PROGRAM OVERVIEW

AWARD INFORMATION

All applicants will be notified of the NE-DBIC decision of whether to award funds to their project.

KEY DATES

DATES MAY BE SUBJECT TO CHANGE

January 10, 2023	Request for Application (RFA) released
January 26, 2023	Application period opens
March 30, 2023 at 2:00 PM ET	Application closes
May 2023	Applicants notified of award status
May 2023	Estimated grant start date
November 2023, date may depend on project	Interim report due
June 30, 2024	Project end date
July 30, 2024	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 a licensed dairy processor that transforms raw milk into an edible product and is in compliance with all required state and/or federal standards? If yes:
 1. Is the applicant headquartered or based in a Northeast state (CT, DE, MA, MD, ME, NH, NJ, NY, PA, RI, or VT)?
 2. Does the applicant's business source or produce milk that originates within the Northeast?
 3. Does the applicant's business manufacture dairy products within the Northeast?
 4. Is the applicant a licensed dairy operation in compliance with all required state and federal standards?
 5. Describe your business/organization operation in terms of size (gross sales, number of employees, production volume), markets, and number of years in business.
- Is the applicant from a dairy producer association that represents and promotes dairy products and dairy businesses of the Northeast? *For the purpose of this grant, a dairy producer association group, also known as a trade association, industry trade group, business association, sector association or industry body, is an organization founded and funded by businesses that operate in the dairy industry.* If yes:
 1. Describe your producer association, addressing: 1) founding members, 2) how association is funded, 3) industry scope covered by the association, and 4) association activities.
 2. If your association encompasses products other than dairy, describe how you will ensure that the project will benefit dairy only.
 3. Does this association receive funds from producer check-off dollars? What percent of the association's annual operating budget comes from producer check-off dollars?
- Is the applicant from an educational/research institution? If yes:
 1. Describe the partnering dairy processors included in this proposal in terms of size (gross sales, number of employees, production volume), scope, markets, and number of years in business.

ENTITY BACKGROUND

- 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:
 1. List the grants received.
 2. Describe the work done under these grants.
 3. 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:
 1. Please list the other grants you will apply for/have applied for in conjunction with this grant.
- Has your business/organization ever been unable to complete or adhere to granting requirements for a grant you were awarded? If so:
 1. Describe the circumstances that prevented you from completing/adhering to the requirements of your grant(s)
- Will you be using loans to supplement this application?
- 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.
- Provide a detailed project description which comprehensively describes your vision of this project. Describe the:
 1. issues you plan to address and why they are relevant and important
 2. goals for the project
 3. outline of activities you would like to include
 4. opportunities that you see for partnership
 5. desired outcomes.
 6. Include any background or context, as needed
- Identify 1-3 funding priorities, as defined in the RFA, that your project addresses and provide an explanation of how your project aligns.
- What will success look like for this project?
- Describe who will benefit from this project and how they will benefit

SECTION II: FULL APPLICATION

- The work conducted under this grant must have an educational/information sharing component to benefit the greater Northeast dairy sector. Describe in depth how 1) the work done under this grant will be shared, be made accessible, and/or replicable to others, and 2) who will be the target audience.
- What challenges do you anticipate and how do you plan to adapt to them?
- How do you plan to sustain the activities implemented through this project beyond the grant period?

PROJECT PARTNERS

List all the anticipated partners for this project in the provided grid, including the following information for each:

- Partner name
- Title
- Business/Organization
- Sector
- Description of Role
- Have they committed to partnering?

PROJECT WORKPLAN

Provide a detailed list of all major activities that will take place during this project and their associated deliverables and timeframes. Include at least 5 key project activities in the provided grid.

Example:

Detailed Description of Activity	Description of the deliverables you will be able to show in your reporting to demonstrate this has been activity has been successful	Estimated timeframe and/or date of completion of the key activity
Purchase and install specialized equipment X	1. Proof of full payment made on Equipment X 2. Photo documentation which shows the installation of the equipment 3. An analysis which shows reduction in labor due to automation	May 1, 2023-August 1, 2023

LETTERS & SUPPORTING DOCUMENTATION

Letters of Support/Commitment

2023 Dairy Processing Research & Development Innovation Grant

SECTION II: FULL APPLICATION

At least three letters of commitment and/or support are required for this application.

- Letters of Commitment should articulate project partners' involvement and identify the contributions they will make to ensure the project's success. Letters of Commitment are required for:
 1. Any match contributors outside of the applicant's business that are secured at the time of the application. Match contributors should describe and assign value to their match commitment (including financial or in-kind support)
 2. For those applications submitted from educational/research institutions, applicant must include letters of commitment from all named dairy processor partners included in the project. (See Eligibility in RFA.)
- 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.
- Additional letters will increase the competitiveness of the application.

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.

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.

EXPECTED OUTCOMES

- Describe the current stage of this project
- Describe the stage you intend to reach by the end of this grant
- Estimate the number of dairy farmers/processors that will benefit from this project
- Estimate the number of non-dairy businesses/organizations that will benefit from this project:
- Describe the intended supply chain/market level impact
- What is the percent increase in sales that you anticipate from these grant activities for your business?
- How many new or existing outlets do you expect consumers to use to buy your business's dairy products for each of the categories below? If not applicable to your business/organization
 - Farmers markets
 - Grocery stores
 - Wholesale markets

SECTION II: FULL APPLICATION

- Other outlets
- As a result of this grant, do you expect an increase in revenue for your business/organization? If so, 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?
- Describe how you will evaluate the success of your project, including metrics you will track to show your progress.

BUDGET

Please complete the following budget table with estimates of grant and match amounts.

Grant funds requested must align with the allowable costs detailed in the 2021 AMS Terms and Conditions (8.0 Allowable Costs and Activities).

Match contributions: Projects must demonstrate matching funds of at least 25% as cash and/or in-kind sources. (e.g. \$100,000 of requested funds requires at least \$25,000 in match contributions.)

- Do not need to adhere to AMS allowable costs
- Match contributions are not required to reflect 25% per expense line, but they must make up 25% of the total grant ask. (For example, a grant request for \$70,000 in supplies and \$50,000 in personnel could be matched with \$60,000 of equipment.)

Budget Table (example)

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	\$13,000.00
TOTALS	\$100,000.00	\$24,000.00	\$1,700.00	\$125,700.00

BUDGET NARRATIVE

- Total funds requested and amount of matching funds.
 - *Must be between \$75,000 and \$250,000*
- List amount of matching funds

SECTION II: FULL APPLICATION

- 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

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.

- 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 '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
- 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 '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
- 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 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 '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 'Other' expenses included in the 'Grant Request' column of your budget? *Such as shipping costs.* If yes:

SECTION II: FULL APPLICATION

- 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.*)

ANTICIPATED PROGRAM INCOME

Any program income generated during the grant period must be used to further the objectives of the grant project. Program income includes, but is not limited to: income from fees for services performed; the sale of commodities or items fabricated under an award (this includes items sold at cost if the cost of producing the item was funded in whole or partially with grant funds); and registration fees for conferences, workshops, events, etc.

Recipients are not required to report program income earned after the grant period.

- Do you anticipate having any program income?
- List any anticipated sources of incomes generated by the activities covered by this grant
- How much income is expected to be earned by those activities (in \$)?
- Describe how you will reinvest the program income into the project to enhance the education, promotion, or consumption of Northeast-regionally produced dairy products

III. APPLICATION SCORING CRITERIA

REVIEWER SCORING CRITERIA

Project Proposal (65 points)

Project overview and workplan illustrates an impactful and realistic project that will support the research and development of alternatives to current industry standards through projects that are applicable, scalable, and replicable to other Northeast dairy processors. Applicant provides clear and relevant explanation for the positive environmental and/or economic impacts of the project.	25 points
Applicant demonstrates a thorough and realistic workplan for achieving the goals of the project. They show that they have a reasonable plan for sustaining the activities implemented in this project past the grant period.	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.	15 points
Applicant demonstrates that their project is well-aligned with funding priorities and provides details to support that.	10 points

Budget and Expected Outcomes (35 points)

Budget and budget narrative are realistic and sufficient to accomplish the work proposed. Applicant has leveraged the required percentage of match contribution.	15 points
Applicant has provided sufficient detail for budget categories: <ol style="list-style-type: none"> 1. Match sources and details are clear, and 2. Fund requests are detailed thoroughly in the budget narrative. 	10 points
Applicant provides reasonable expected outcomes via: <ol style="list-style-type: none"> 1. A useful plan for evaluating the success of their project including appropriate metrics to track. 2. Proposal includes at least one (1) of the following: <ul style="list-style-type: none"> • Increase in sales • Increase in revenue • Job creation and/or retention • Increase in volume of milk moving into the supply chain 	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
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/VAAFM reserves the right to utilize and/or summarize information and photos provided through these reports to use on publications/promotions.

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

CERTIFICATE OF INSURANCE

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

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

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

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

Premises - Operations

Products and Completed Operations

Personal Injury Liability

Contractual Liability

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

\$1,000,000 Each Occurrence

\$2,000,000 General Aggregate

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

\$1,000,000 Personal & Advertising Injury

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.