

NORTHEAST

DAIRY BUSINESS
INNOVATION CENTER

On-Farm Milk Storage & Handling Grant

2023 REQUEST FOR APPLICATIONS

The [Northeast Dairy Business Innovation Center](#) (NE-DBIC) announces the availability of funds through the On-Farm Milk Storage & Handling Grant program, which will provide grants for dairy farmers to access funds that support the purchase of equipment and other related costs that will improve milk storage, handling, and energy efficiencies, and contribute to their long-term farm viability. The focus of this grant is on the purchase of specialized equipment. Applicants may select from a pre-approved list of eligible equipment. 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.

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: November 14, 2023

Application Opens: November 30, 2023

Application Deadline: January 18, 2024 at 2:00 PM ET

CONTACT

PROGRAM QUESTIONS

Ali Boochever

Grants Coordinator

Ali.Boochever@vermont.gov

(802) 261-5740

WEBGRANTS TECHNICAL ASSISTANCE

Rebecca Brockett

Grants & Contracts Administrator

Rebecca.Brockett@vermont.gov

(802) 636-701

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.

CONTENTS

I. PROGRAM OVERVIEW 3

 QUICK FACTS..... 3

 FUNDING OPPORTUNITY DESCRIPTION 4

 ELIGIBILITY 4

 MATCHING FUNDS 7

 SUPPORTING DOCUMENTATION..... 8

 LETTERS OF COMMITMENT/SUPPORT 8

 HOW TO APPLY..... 9

 APPLICATION REVIEW 10

 AWARD INFORMATION 10

 KEY DATES..... 10

II. FULL APPLICATION 11

III. SCORING CRITERIA 18

IV. GRANT MANAGEMENT & REPORTING 19

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 (VAAFAM), 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 \$45.8 million to support projects in the Northeast region of the U.S.

ELIGIBILITY SUMMARY

Licensed dairy farmers 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 \$800,000

MINIMUM & MAXIMUM AWARD

Minimum: \$15,000

Maximum: \$50,000

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

GRANT PAYMENT SCHEDULE

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, the 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 to 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, AM22DBIVT1015.

FUNDING OPPORTUNITY DESCRIPTION

The NE-DBIC's On-Farm Milk Storage & Handling grant program will support the needs of 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 farms at all scales who can demonstrate the need to move toward increased capacity and/or improved handling capabilities. Improvements made with this grant funding should be part of a plan to support long-term business success. Evidence of technical assistance from a service provider, business planner, or farm viability planner involved in the project will make applications more competitive.

ELIGIBILITY

ELIGIBLE APPLICANTS

Applicants eligible for these funds are dairy farmers that:

1. are headquartered or based in the Northeast; and
2. produce 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:

- Project allows a farm to move from daily milk pickup to every-other-day milk pickup
- Project decreases time and labor it takes to move milk onto the truck, making milk pickup easier
- Project will reduce costs related to fuel, hauling charges, and energy use to farmer and processor
- Project will increase energy efficiencies on the farm
- Project improves food safety measures and milk quality, reducing the risk of farmer or processor needing to dump milk

SECTION I. PROGRAM OVERVIEW

- For farmers who process their own milk, project increases farm storage to allow for larger batch sizes
- Project increases milk transfer efficiencies by reducing milk handling

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. For projects to be eligible, they must address inefficiencies around labor, energy, and product waste as it relates to the movement of milk to processing.

For applications to be effective, they will:

1. Show why it is necessary for the farm's long-term business viability to purchase the proposed equipment and associated costs.
2. Show that the project will have significant impacts on their business including, but not limited to, cost savings, energy savings, climate/ecological resiliency, 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.
5. Include direct involvement of a service provider, business planner, farm succession planner, or technical assistance provider to identify long-term business viability goals.

REQUIRED PROJECT CRITERIA

Projects must meet the following criteria to receive funds:

- a. At least 75% of grant funds for the project must be used to purchase (and install) new or used specialized equipment that addresses milk storage or milk handling inefficiencies. Applicant must select at least one of the allowable purchases and installation of specialized equipment (purchases of \$5,000 or more) in the following pre-approved list:
 - i. Milk storage tanks, including bulk tanks, milk silos, and buffer tanks
 - ii. Milk pipelines
 - iii. Upgraded glycol chillers
 - iv. Farm milk loading systems, including:
 1. Direct load systems
 2. 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
 3. In-line sampling systems for direct loading and in-line weight measuring systems
 - v. Reclaim systems for water and watering systems

SECTION I. PROGRAM OVERVIEW

1. Purchase or upgrade of milk cooling equipment
 - vi. Plate coolers and heat exchangers
 - vii. Equipment installation services (e.g., plumbing in equipment or hooking up electrical for the equipment purchased; does not cover construction aspects of installation)
- b. 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 address on-farm issues of milk storage capacity, milk handling, and/or increasing energy efficiencies for milk storage or handling. This can include:
 - i. Supplies (any purchases that cost less than \$5,000 per unit)
 1. E.g., hot water heater (tank style or on-demand), water filtration, milk pipeline, milk pump, clean-in-place system, sinks
 - ii. Training on the use of new equipment
 - iii. Personnel & Fringe
 - iv. Travel to source or pick up equipment
 - v. Other: shipping costs, rental of general use equipment (not for construction)

EXAMPLES: ELIGIBLE PROJECTS

1. *A farmer needs to purchase and install a larger bulk tank to move to every-other-day pickup.*
2. *A farmer works with their processor to determine the best purchases to make that will streamline milk pickup. Together, they determine that a direct load system and larger bulk tank will increase efficiencies and reduce costs for both the farmer and processor.*
3. *A farmer's bulk tank is no longer efficiently or effectively keeping their milk chilled. They apply to purchase and install a new bulk tank with more storage, new compressors, an upgraded plate cooler, and chart recorder to improve milk quality and increase food safety.*

INELIGIBLE PROJECTS

- Projects not primarily located within the Northeast.
- Projects that solely support the production/sales of raw fluid milk meant for human consumption without pasteurization.
- Projects that do not include the purchase of pre-approved specialized equipment for storing and handling milk.
- Projects that use grant funds for:
 - Processing equipment
 - Construction or purchase of construction associated materials
 - 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 - 2022 AMS Terms and Conditions](#) (8.0 Allowable Costs and Activities).

SECTION I. PROGRAM OVERVIEW

- Projects that include expenses paid by the applicant before the start of the grant period.
- Projects that seek to improve overall farm production practices that are not specific to milk storage and handling.

EXAMPLES: INELIGIBLE PROJECTS

1. *A farmer wants to use grant funds 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 allowable. The farmer could access alternative grant or loan funds to pay for the tear down and reconstruction of the wall as part of their match contribution and this grant could pay for the bulk tank and its installation.*
2. *A farmer wants to use grant funds to replace their aging parlor with a robotic milking system, a larger bulk tank, a buffer tank, and a new plate cooler.*
 - 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. This is a farm-scale system improvement project and would be a better fit for the [Dairy Improvement and Modernization Grant](#).*
3. *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 on-farm is covered by this grant. Contact NE-DBIC staff for information about grants relevant to processing.*

MATCHING FUNDS

All projects must show matching funds of at least 25% of the grant request to go toward the grant project. For instance, for a grant request of \$40,000, the applicant must demonstrate at least \$10,000 in match. Matching funds may be contributed by the applicant or by another organization. Applicants can use other funds (state or loan, other non-Federal money) as a match to this project as long as there is not any such restriction in the agreements for those funds. The 25% required match may be any combination of cash and in-kind funds in any expense category, and may cover costs ineligible for grant funds, such as construction. Match funds must be expended within the grant period.

Examples of cash match include funds in the bank, funds contributed by another organization, bank loans, other non-Federal grant funds, applicant labor, and compensation of employees. Labor rates should be in line with current market rates.

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.

SECTION I. PROGRAM OVERVIEW

Match waivers can be requested as needed. Applicants are encouraged to use their time or their family's time spent on the project as cash match.

Example of an Eligible Budget:

Expense Category	Grant Funds Requested	Applicant Contribution - Cash Match	Applicant Contribution - In-kind Match	Project Total
Specialized Equipment	\$30,000.00	\$5,000.00	\$0.00	\$35,000.00
Supplies	\$5,000.00	\$500.00	\$0.00	\$5,500.00
Contractual/Consultant	\$0.00	\$1,000.00	\$0.00	\$1,000.00
Training	\$2,000.00	\$0.00	\$0.00	\$2,000.00
Travel	\$0.00	\$0.00	\$0.00	\$0.00
Personnel	\$0.00	\$2,000.00	\$0.00	\$2,000.00
Fringe	\$0.00	\$0.00	\$0.00	\$0.00
Other	\$3,000.00	\$1,500.00	\$0.00	\$4,500.00
TOTALS	\$40,000.00	\$10,000.00	\$0.00	\$50,000.00

SUPPORTING DOCUMENTATION

If you are purchasing specialized equipment, a current quote is **required** for the equipment and any associated installation costs. Specialized equipment costs over \$5,000 per item.

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 should be included as they pertain to the project.

LETTERS OF COMMITMENT/SUPPORT

Letters of Commitment should articulate project partners' involvement and identify the contributions they will make to ensure the project's success. Match contributors, such as lenders, should provide a letter that describes their contributions and assigns value to their match commitment (including financial or in-kind support).

Letters of Support should explain support from businesses or organizations that are connected but not directly engaged in project work. This could include but is not limited to milk processors, other farmers or producer associations who will benefit from the project, and retail outlets.

For all applicants who ship milk, at least one Letter of Support is required **from the applicant's processor**.

Your dairy processor must include the following information in their Letter of Support (please provide this list to your processor):

- Description of current processor relationship with the applicant including milk pick up frequency, volume, etc.

SECTION I. PROGRAM OVERVIEW

- 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 in compliance with their production standards

Additional Letters of Support are welcome, but not required.

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 November 30, 2023 – January 18, 2024 at 2:00 PM ET.

Be advised that technical assistance with WebGrants may not be available shortly before deadlines; please plan accordingly.

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>. Please add this email address to your "safe senders" list. If you do not receive this confirmation, please check your junk or spam folder.

SECTION I. PROGRAM OVERVIEW

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.

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.

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.

KEY DATES

DATES MAY BE SUBJECT TO CHANGE

November 14, 2023	Request for Application (RFA) released
November 30, 2023	Application released
January 18, 2024 at 2:00 PM ET	Application closes
February 2024	Applicants notified of award status
March 2024	Estimated grant project start date
Mid-project, date will depend on project	Interim report due
Between August 31, 2024 and March 30, 2025, depending on project	Project end date
30 days after end of project	Final report 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 dairy farmer? If yes:
 - Is the applicant headquartered or based in a Northeast state (CT, DE, MA, MD, ME, NH, NJ, NY, PA, RH, or VT)?
 - Does the applicant produce milk that originates within the Northeast?
 - Is the applicant a licensed dairy operation in compliance with all required state and federal standards?
 - Does the applicant ship milk to a dairy processor?
 - Does the applicant process their own milk?

Entity History

- Describe your farm operation including size (gross sales, number of employees, herd size production volume), number of years in business, and markets.
- 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.
- 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.

SECTION II. FULL APPLICATION

- 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?
 - Enter their name and organization.
- Have you received technical assistance in preparation of this project, or do you plan to receive related technical assistance during the course of this grant project? If yes:
 - Enter their name and organization.
 - Describe the type of technical assistance received.

PROJECT DESCRIPTION

Project Details

- Summarize your project in one to three sentences.
- What are the current challenges on your dairy farm as it relates to milk storage and handling?
- How will your grant project directly address those challenges?
- Which of the following program funding priorities does your project address? Select all that apply.
 - Project allows a farm to move from daily milk pickup to every-other-day milk pickup
 - Project decreases time and labor it takes to move milk onto the truck, making milk pickup easier
 - Project will reduce costs related to fuel, hauling charges, and energy use to farmer and processor
 - Project will increase energy efficiencies on the farm
 - Project improves food safety measures and milk quality, reducing the risk of farmer or processor needing to dump milk
 - For farmers who process their own milk, project increases farm storage to allow for larger batch sizes
 - Project increases milk transfer efficiencies by reducing milk handling

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 3 key project activities. For each activity, provide:

- Detailed description of the activity
- Description of the deliverables you will be able to show in your reporting to demonstrate this activity has been successful
- Estimated timeframe and/or date of completion

SECTION II. FULL APPLICATION

Sample Project Workplan

Description of key activity	Description of associated deliverables	Estimated timeframe
Purchase new 1000-gallon bulk tank and Fre-Heater	<ul style="list-style-type: none"> • Proof of full payment made on bulk tank and Fre-Heater 	March 1 -June 30, 2024
Install new 1000-gallon bulk tank and Fre-Heater	<ul style="list-style-type: none"> • Photos and/or other documentation that shows the full process of removing the old bulk tank, installation of the new equipment, and evidence that it is fully operational. 	June 1 - August 31, 2024
Energy and cost savings are evident	<ul style="list-style-type: none"> • Documentation showing a comparison of 2023 monthly utility costs vs. at least 3 months of utilities following installation of the new equipment. 	August 1 - December 31, 2024
Improvements in milk quality	<ul style="list-style-type: none"> • Documentation showing a comparison of 2023 Somatic Cell, Raw, Preliminary Incubation, and any other applicable bacterial counts in milk to at least 3 months' results following installation of the new systems 	August 1 – December 31, 2024
Grant and match funds fully expended	<ul style="list-style-type: none"> • Proof of receipt for payment on specialized equipment and installation, supplies, and personnel time 	December 31, 2024

EXPECTED OUTCOMES

- Describe the long-term impact of this project on the viability and success of your farm business.
- What cost and energy savings do you expect to see as a result of this project?
- What will be the benefits, if any, to your milk processor as a result of this project?
- How will you know that this project was successful? What metrics will you use to track your progress? (*E.g. reduced bacterial counts in milk, increased milk quality, reduced fuel use, reduced energy consumption, increased volume of milk production, etc.*)
- 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: $(\$60,000 - \$50,000) / \$50,000 \times 100 = 20\%$*)
- 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?

SECTION II. FULL APPLICATION

- 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.

SUPPORTING INFORMATION

Supporting Documentation

Upload the following:

- If you are purchasing specialized equipment, a current quote is required for all equipment and any associated installation costs. Specialized equipment should be identified from the list of pre-approved equipment in the RFA and costs over \$5,000 per item.
- 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.

Letters of Commitment or Support

At least one letter of commitment or support is 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, such as lenders, should provide a letter that describes their contributions and assigns value to their match commitment (including financial or in-kind support).

Letters of Support should explain support from businesses or organizations that are connected but not directly engaged in project work. This could include but is not limited to milk processors, other farmers or producer associations who will benefit from the project, and retail outlets.

For applicants who ship milk, at least one **letter of support** is required **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.

For all applicants, Letters of Commitment are also **required** from:

- Any project partner
- Participating technical service providers
- Farmers engaged in the project whose participation is required to meet the expected outcomes
- Match contributors that are outside of the applicant's business.

Additional letters of support are welcome, but not required.

PROJECT BUDGET

Budget Table

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

- **Allowable Costs:** At least 75% of all requested grant funds must be used for the purchase and installation of specialized equipment. Please refer to the RFA for a full list of pre-approved equipment. Grant funds requested must align with the allowable costs detailed in the [2021 – 2022 AMS Terms and Conditions](#) (see 8.0 Allowable Costs and Activities).
- **Match contributions:** Projects are encouraged to provide at least 25% in match as cash and/or in-kind sources. (e.g. \$40,000 of requested funds requires at least \$7,500 in match contributions.)
 - 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 at least 25% of the total grant ask.

Sample Budget Table

Expense Category	Grant Funds Requested	Applicant Contribution - Cash Match	Applicant Contribution - In-kind Match	Project Total
Specialized Equipment	\$30,000.00	\$5,000.00	\$0.00	\$35,000.00
Supplies	\$5,000.00	\$500.00	\$0.00	\$5,500.00
Contractual/Consultant	\$0.00	\$1,000.00	\$0.00	\$1,000.00
Training	\$2,000.00	\$0.00	\$0.00	\$2,000.00
Travel	\$0.00	\$0.00	\$0.00	\$0.00
Personnel	\$0.00	\$2,000.00	\$0.00	\$2,000.00
Fringe	\$0.00	\$0.00	\$0.00	\$0.00
Other	\$3,000.00	\$1,500.00	\$0.00	\$4,500.00
TOTALS	\$40,000.00	\$10,000.00	\$0.00	\$50,000.00

Budget Narrative

The budget narrative should reflect what you have outlined in your budget table. Grant funds requested must align with the allowable costs detailed in the [2021 – 2022 AMS Terms and Conditions](#) (see 8.0 Allowable Costs and Activities).

Please ensure that values associated with the following questions align with your budget table.

- Total funds requested for this grant. *Must be between \$15,000 and \$50,000*
- Amount of matching funds. *Projects must demonstrate at least 25% cash/in-kind match*

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 that are uncommitted 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.

- Are 'Specialized Equipment' expenses included in the 'Grant Request' column of your budget table? *Includes rental or purchase of specialized equipment needed for grant activities. Equipment is for items with a per unit cost over \$5,000, otherwise it should be categorized as supplies.* If yes:
 - 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.
- Are 'Supply' expenses included in the 'Grant Request' column of your budget table? *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
- Are 'Contractual/Consultant' expenses included in the 'Grant Request' column of your budget table? *Note that multiple bids may be required. Refer to Allowable Costs in the AMS Terms and Conditions.* If yes:
 - Contractual/Consultant: List each anticipated contractor/consultant service. For each, provide: 1) grant funds requested, 2) description of services, and 3) justification for why the services are necessary for the success of this project
- Are 'Training' expenses included in the 'Grant Request' column of your budget table? 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 budget table? If yes:
 - 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 budget table? *Personnel costs are for owners or staff time directly related to the grant project.* If yes:
 - 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

SECTION II. FULL APPLICATION

- Are 'Fringe Benefit' expenses included in the 'Grant Request' column of your budget table? If yes:
 - Fringe Benefit: 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 table? 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

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 viability, outlining expected cost and energy savings, and identifying benefits for the milk processor. Project is well aligned with funding priorities.	20 points
Applicant demonstrates a thorough and realistic workplan for achieving the goals of the project.	10 points
Applicant provides clear and relevant reasoning for how grant project will address and/or resolve their farm’s milk storage and handling challenges.	20 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 has leveraged other resources to support this grant project such as technical assistance, business assistance, service provider assistance, partnerships, loans, and/or other grants.	5 points
Applicant demonstrates that their project is well-aligned with funding priorities.	5 points

Budget and Expected Outcomes (25 points)

Budget and budget narrative are realistic and sufficient to accomplish the work proposed.	10 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.	5 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. Number of project beneficiaries reached
 - ii. Number of project beneficiaries that buy, sell, aggregate, store, produce, or distribute dairy products
 - iii. Number of project beneficiaries that gained knowledge on how to access or produce dairy products
 - iv. Increases in sales
 - v. Increases in revenue
 - vi. Increases in dairy activities
 - vii. Increases in dairy production and/or innovative marketing strategies
 - viii. Number of jobs maintained/created
 - ix. Whether there were any new or beginning farmers that began producing dairy products due to this grant, and how many
 - x. Level of satisfaction/outlook for the future of your business before and after the grant
 - xi. If the grantee is a farmer, which of the following did they experience?
 1. Reduced cost of production
 2. Increased lifestyle satisfaction
 3. Improved water quality
 4. Increased soil health

SECTION IV: GRANT MANAGEMENT & REPORTING

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

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

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

CERTIFICATE OF INSURANCE

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

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

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

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

Premises - Operations

Products and Completed Operations

Personal Injury Liability

Contractual Liability

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

SECTION IV: GRANT MANAGEMENT & REPORTING

\$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.