

# Goat & Sheep Dairy Development Grant – Revised Deadline

---

## 2024 REQUEST FOR APPLICATIONS

Please note that the following funding opportunity has been updated to reflect an extended application period, and the resulting shift in Key Dates for selected awardees projects to take place (pg. 13).

The [Northeast Dairy Business Innovation Center](#) (NE-DBIC) announces the availability of funds through the Goat and Sheep Dairy Development Grant program. This program will strengthen and support the growth of the Northeast goat and sheep dairy sector through projects that address one of the following: 1) business viability, 2) market development, or 3) innovative approaches to production. This program will fund two types of projects:

1. **Individual business grant projects** will make necessary improvements to individual goat or sheep dairy farms or processors to increase business viability, access to markets, or innovative production activities.
2. **Sector enhancement grants** will directly engage multiple dairy businesses in activities which improve or expand small ruminant production practices or dairy markets. Projects should strengthen relationships across the goat/sheep dairy supply chain, such as farmer-to-farmer, farmer-processor, or processor-customer relationships.

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: January 25, 2024

Application Opens: February 1, 2024

Application Deadline: June 6, 2024 at 2:00 PM ET

# CONTACT

## PROGRAM QUESTIONS

Kathryn Donovan

[Kathryn.Donovan@vermont.gov](mailto:Kathryn.Donovan@vermont.gov)

(802) 522-9478

## WEBGRANTS TECHNICAL ASSISTANCE

Rebecca Brockett

[Rebecca.Brockett@vermont.gov](mailto:Rebecca.Brockett@vermont.gov)

(802) 636-7016

Support is generally available during business hours: Monday–Friday, 7:45 AM to 4:30 PM ET. Assistance may not be available shortly before deadlines. WebGrants Guides and resources for registering and applying can be found on our [Resources for Grant Applicants and Recipients webpage](#).

# CONTENTS

<b>I. PROGRAM OVERVIEW .....</b>	<b>3</b>
QUICK FACTS .....	3
FUNDING OPPORTUNITY DESCRIPTION .....	4
ELIGIBILITY.....	4
APPLICATION REQUIREMENTS.....	9
HOW TO APPLY .....	12
APPLICATION REVIEW .....	13
AWARD INFORMATION.....	13
KEY DATES .....	13
<b>II. FULL APPLICATION .....</b>	<b>14</b>
<b>III. SCORING CRITERIA .....</b>	<b>23</b>
<b>IV. GRANT MANAGEMENT &amp; REPORTING .....</b>	<b>25</b>

# **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**

Dairy producers and dairy processors that are headquartered in the Northeast region of the U.S. may apply for this grant. Producer associations and technical assistance providers applying for projects that primarily benefit the Northeast goat and/or sheep dairy sector may also apply.

### **AVAILABLE FUNDS**

\$760,000

### **MINIMUM & MAXIMUM AWARD**

#### **Individual Business Grants**

- Minimum: \$15,000
- Maximum: \$50,000

#### **Sector Enhancement Grants**

- Minimum: \$25,000
- Maximum: \$75,000

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

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 40% of grant funds upfront, 40% of funds mid-project, and 20% of funds once the grant is complete.

### **PROJECT LENGTH**

Between 8 and 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 AM22DBIVT1015.

### FUNDING OPPORTUNITY DESCRIPTION

Projects funded by this grant will allow dairy farmers, processors, producer associations, and technical assistance providers to take actionable steps to improve the viability and strength of the small ruminant dairy sector in the Northeast. This is an underdeveloped sector of Northeast dairy which has strong growth potential and increasing consumer demand. Recognizing that there are many areas of goat and sheep dairy that require resources to support its development, this grant program is designed to allow for a variety of approaches, all with the purpose of strengthening this sector. Projects under this program will support two types of projects: Individual Business projects and Sector Enhancement projects.

Projects are expected to enhance the growth and viability of individual small ruminant businesses, as well as address gaps in technical assistance, improved supply chain partnerships, market access and growth, and long-term business viability.

The following applications areas will be prioritized: 1) those that directly engage with technical assistance providers as a part of their project, 2) will build technical assistance capacity for the sector, and 3) projects that will benefit additional goat/sheep dairy businesses beyond the initial project.

Applicants will be expected to use at least one Dairy Business Innovation Initiative resource, such as a webinar or report, related to the goat and sheep sector, or marketing/distributing dairy products to develop their grant project, detailed below.

### ELIGIBILITY

#### ELIGIBLE APPLICANTS

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

1. Dairy farmer (producer) that:
  - a. is headquartered or based in the Northeast; and
  - b. currently produces goat or sheep milk that originates within the Northeast (or will by the end of the grant period); and
  - c. is a licensed dairy operation in compliance with all required state and federal standards.
2. Dairy processor that:
  - a. currently transforms raw goat/sheep milk into an edible product; and
  - b. is licensed in a way that their product can be sold across state lines; and
  - c. is headquartered or based in the Northeast; and
  - d. sources or produces milk that originates within the Northeast; and
  - e. if a value-added processor, manufactures products within the Northeast.
3. Dairy producer association/dairy council which represents and promotes goat and/or dairy products and businesses of the Northeast. Grant projects submitted by dairy producer association applicants should meet the requirements of a Sector Enhancement project.
  - a. 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

## SECTION I. PROGRAM OVERVIEW

a specific industry related to the dairy industry. Associations receiving the majority of their funds from producer check-off dollars are not eligible.

4. Technical assistance provider working directly with a group of Northeast goat and/or sheep dairy farmers and/or processors. Grant projects submitted by technical assistance provider applicants should meet the requirements of a Sector Enhancement project.

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

- Certificate of Insurance listing the Vermont Agency of Agriculture, Food & Markets as an additional insured
- Current 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.

## FUNDING PRIORITIES

All projects are expected to directly address a minimum of two (2) of the following priorities:

- Development of resources that fill unmet technical assistance needs of goat/sheep dairy farmers
- Increasing pay price for goat/sheep dairy farmers
- Producing deliverables that can be used for new goat/sheep dairy farmers starting up, or cow dairy conversions
- Projects that include educational/information sharing components that will directly benefit additional farmers or processors beyond the project partners
- Collaborative projects that will benefit both farmers and processors
- Increasing profits for a dairy business (Individual Business projects only) or multiple businesses
- Improvements to herd/flock health, nutrition, and/or milk quality
- Reduction of barriers to accessing new markets
- Development of market channels and distribution opportunities to increase goat/sheep dairy product placement
- Innovative strategies to increase awareness and consumption of goat/sheep dairy products

## ELIGIBLE PROJECTS

All projects should support dairy businesses to develop or expand the reach of goat and/or sheep dairy products or markets. Projects must support increased business viability, develop market access/presence, or support innovative strategies to develop the goat and sheep dairy sector.

Projects that engage with relevant technical assistance will be prioritized. Technical assistance includes business planners, grazing specialists, marketing professionals, small ruminant veterinarian services, and other business viability services.

## SECTION I. PROGRAM OVERVIEW

**Individual Business Projects** are for farmers or processors making necessary improvements to increase business viability, market development, or innovations in production. Examples of eligible projects include, but are not limited to:

- Engagement with a technical assistance provider or consultant to develop and implement business viability improvements such as:
  - Grazing management plans
  - Assessment of current production methods
  - Cost of production analysis
  - Increased production efficiencies
  - Development and implementation of a growth plan that increases profitability
  - Development and implementation of a business plan, succession plan, or other farm viability technical support
  - Development and implementation of other improvements that will increase profitability, expand production, and/or improve herd/flock health.
  - Dairy farm transition from cow to goat or sheep
- Business diversification through:
  - Product development
  - Consumer outreach, market research, marketing/growth strategy
- Research and development of innovative solutions to production or management issues, or trialing new systems or technologies such as:
  - Extended lactation trials
- Purchase of specialized dairy equipment or supplies that will allow applicant to increase efficiency, reduce cost of products, and/or increase sales. Equipment could include:
  - Scale-appropriate milk storage and handling equipment
  - Scaling or conversion of existing dairy milking or processing equipment
  - Milk testing equipment

**Sector Enhancement Projects** must directly engage multiple dairy businesses in activities which improve or expand small ruminant production practices or dairy markets. Projects should strengthen relationships across the goat/sheep dairy supply chain such as farmer-to-farmer, farmer-processor, or processor-customer relationships. Eligible activities under this grant may include, but are not limited to:

- Development and implementation of tools, direct services, educational opportunities, or other resources for goat and/or sheep dairy farmers or processors that will support the growth of the sector. This could include areas such as:
  - Herd/flock health and nutrition
  - Cost of production analysis
  - Business planning, growth strategies
  - Sales and marketing strategies
  - Innovative production or management strategies
  - Operational improvements
  - Workforce development
- Improving farmer access to:

## SECTION I. PROGRAM OVERVIEW

- Improved reproductive/genetic stock
- Specialized small ruminant veterinary services
- Peer-to-peer learning opportunities
- Technology for animal management or product testing
- Research and development of innovative solutions to production or management issues, or trialing new systems or technologies
- Initial investments to help buyers develop long-term methods for provide direct support or benefits to their suppliers to strengthen supply chain-relationships, in areas such as:
  - Improved pay structure (including quotas), contract terms, premium structures
  - Increased bi-directional communication mechanisms, such as farm liaisons
  - Seasonal milk/product supply management
  - Farm safety
  - Benefits
  - Facilitating access to direct technical assistance
- Development of supply chain opportunity, such as:
  - Stabilization or diversification of goat/sheep milk sales outlets and markets
  - Addressing supply gaps or seasonal purchasing challenges
  - Leveraging new or existing supply chain partnerships to expand markets through aggregation/distribution, branding, co-packing, market expansion, humane/organic certification costs

**Projects may only use grant funds for allowable costs/activities as outlined in the [2021 - 2022 AMS Terms and Conditions](#) (see section 8.0 Allowable Costs and Activities).**

### REQUIRED PROJECT CRITERIA

The following criteria must be addressed:

1. Project supports the development of the goat and/or sheep dairy sector in the Northeast.
2. Project directly addresses at least one of the following:
  - a. Increases product visibility, consumer awareness, and increased consumption of goat and/or sheep dairy products made in the Northeast region.
  - b. Strengthens the viability of small ruminant dairy businesses, strengthening the sector.
  - c. Develops innovative approaches to production for farmers or processors.
3. All applications must demonstrate that the applicant has used at least one of the following Dairy Business Innovation Initiative (DBII) technical assistance resource in the development of the proposed project:
  - a. [Goat & Sheep Dairy Market Research and Interactive Dashboard](#)
  - b. [Vermont Goat Dairy Research Report, webinar, and impact reports](#)
  - c. [Dairy Processor Brand Strategy & Marketing Toolkit](#)
  - d. [Strengthening Regional Dairy Distribution Report](#)
  - e. [Market Intelligence](#): Dairy Export Opportunities and Import Displacement webinars through the Wisconsin Dairy Innovation Center.

## SECTION I. PROGRAM OVERVIEW

- f. [Webinars](#) through the Wisconsin Dairy Innovation Center. Selection to choose from includes Fine Tuning your Marketing Strategy, Social Media Marketing, Developing E-Commerce, Developing an Export Program, and more.
4. Business/organization can sustain the changes/improvements past the grant period.
5. Application must include quotes or bids for all proposed specialized equipment and installation costs to be covered by grant funds.

### EXAMPLES: ELIGIBLE PROJECTS

#### Individual Business Eligible Projects

1. *A goat farmer has identified the need to increase their herd size to maximize their profits. They work with a business planner to develop their growth plan, a grazing specialist to develop their pasture management plan, and purchase and install a milk line to increase labor efficiency and food safety in preparation for scaling up.*
2. *A small goat and sheep milk cheesemaker is experiencing increasing demand and has been approached by a retail chain interested in expanding their current market reach. Their current processing facility and staff are not being utilized in a way that maximizes their potential for production. Using grant funds, they work with a manufacturing extension center to access a set of staff trainings and have a trainer on-site to work with them to implement LEAN strategies that will allow them to make the most of what they have and provide them tools for smart growth.*
3. *A goat dairy farm has connected with experts to understand the opportunity of extended lactation and is ready to implement this with their herd. In order to be successful, they will purchase dairy goat genetics from Europe, install milk testing equipment to monitor components, and will utilize services from the veterinarian and other technical assistance providers to support the production strategy transition.*

#### Sector Enhancement Projects

1. *A dairy processor wants to better address the technical production needs of their goat/sheep farmers. They use grant funds to hire a consultant to aid them in identifying a set of the top three technical assistance needs, identify and establish partnerships with providers to provide those services, and develop a program to facilitate access to those services long-term at no cost to the farmers.*
2. *A state's cheese guild (producer association) identifies 5 goat/sheep cheesemakers that are interested in selling to a chain retailer. They coordinate technical assistance for each to receive audits, make changes and upgrades to their facilities, and acquire specific certifications required by the retailer.*
3. *A producer association identifies the need for small ruminant veterinary services in their area. They work with an extension agency to set up a virtual/touring clinic program and create a fee-for-service program that will sustain itself long term.*



### 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 include expenses paid by the applicant before the start of the grant period
- Projects that use grant funds for:
  - Construction or purchase of construction associated materials (match funds may be used for those activities)
  - Purchase or lease-to-own of land/building/facilities
  - Purchase of general equipment (specialized equipment is allowable – contact program staff with questions)
  - Purchase of vehicles (rental vehicles for the duration of the project may be allowable)
  - Unallowable costs/activities as outlined in the [2021 – 2022 AMS Terms and Conditions](#) (8.0 Allowable Costs and Activities).

### EXAMPLES: INELIGIBLE PROJECTS

1. *A processor that only processes cow milk wants to do product development and start processing goat's milk.*
  - a. *Why is this ineligible? This grant is for processors who are currently working with goat and/or sheep milk.*
2. *A goat farmer wants to build a new barn to support increasing their herd size.*
  - a. *Why is this ineligible? Grant funds through the Northeast Dairy Business Innovation Center cannot be used for construction.*
3. *A technical assistance provider wants to use funds to pay for a staff position that will focus on goat/sheep but does not have funding to continue the position past the grant period.*
  - a. *Why is this ineligible? The purpose of this grant is to provide long-term sector support, with benefits extending past the life of the grant.*

## APPLICATION REQUIREMENTS

### MATCHING FUNDS

All proposals must show matching funds which represent at least 25% of the grant request to go toward the grant project. For instance, for a grant request of \$20,000, the applicant must demonstrate at least \$5,000 in match. Matching funds may be contributed by the applicant or by another organization. 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.

## SECTION I. PROGRAM OVERVIEW

**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: ELIGIBLE BUDGET

Expense Category	Grant Funds Requested	Applicant Contribution - Cash Match	Applicant Contribution - In-kind Match	Project Total
Personnel	\$0.00	\$1,000.00	\$0.00	\$1,000.00
Fringe Benefits	\$0.00	\$0.00	\$0.00	\$0.00
Training	\$0.00	\$0.00	\$0.00	\$0.00
Contractual/ Consultant	\$15,000.00	\$0.00	\$1,250.00	\$16,250.00
Supplies	\$0.00	\$1,000.00	\$0.00	\$1,000.00
Equipment	\$0.00	\$0.00	\$0.00	\$0.00
Travel	\$0.00	\$1,750.00	\$0.00	\$1,750.00
Other	\$5,000.00	\$0.00	\$0.00	\$5,000.00
<b>Totals</b>	<b>\$20,000.00</b>	<b>\$3,750.00</b>	<b>\$1,250.00</b>	<b>\$25,000.00</b>

## PROJECT PARTNERS

If your project includes project partners, they should be identified at the time of application and submit a Letter of Commitment. Partners include any entities outside the applicant's business that are key participants in the project. The following entities would be considered partners:

- Technical assistance (TA) providers offering ongoing support throughout the life of the grant project. This can include TA providers such as business planners, grazing specialists, marketing professionals, small ruminant veterinarian services, and other business viability services.
- Key supply chain partners including farms/processers beyond the applicant, distributors, co-packers, and cross-dockers that are directly involved in grant activities should be listed as partners.

Contractors or equipment dealers/installers should not be included as project partners if they are providing services included in their normal course of business.

**All Sector Enhancement projects must include a minimum of one supply chain partner to be eligible.**

## 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).

## SECTION I. PROGRAM OVERVIEW

**Letters of Support** should explain support from businesses or organizations that are connected but not directly engaged in project work. This could include other farms or processors, producer associations, or retail outlets who will benefit from the project. Letters of Support should describe the benefits of the project both for the applicant business and the greater dairy sector.

### Applicant Requirements

- Individual Business applicants are required to include at least one Letter of Support or Commitment.
- Sector Enhancement applicants are required to include at least one Letter of Commitment from a supply chain partner that has direct engagement in the project. Applicants that are technical assistance providers or producer associations should provide Letters of Commitment from at least two dairy businesses they intend to work with.
- All applicants are also required to include Letters of Commitment from:
  - All listed project partners
  - Technical service providers directly engaged in the project
  - All match contributors outside of the applicant's business/organization

It is strongly encouraged that all letters be written on the writer's letterhead, include their signature, and be submitted as .pdf documents.

Additional letters will increase the competitiveness of the application.

### SUPPORTING DOCUMENTATION

For applications that request grant funds for specialized equipment, a current quote is **required** for the equipment and any associated installation costs. Specialized equipment costs over \$5,000 per unit.

Applicants are also encouraged to upload any additional documentation that will support the request for funds. This could include documentation:

- that demonstrates the research and development of the project concept.
- examples of previous work that this project will build upon (market research, training, business investments, etc.).
- proof of grants or loans to be used as match.
- additional information about partnerships.
- demonstrates viability of their business/organization.
- evidence of marketplace demand.
- contractor bids.
- other documentation that provides further context for your proposed project.

## SECTION I. PROGRAM OVERVIEW

### HOW TO APPLY

All applications must be submitted via the WebGrants system at [agriculturegrants.vermont.gov](https://agriculturegrants.vermont.gov).

The business/organization that, if awarded, will receive the grant funds should apply under their own account in WebGrants. Technical assistance providers, grant writers, or others completing the application on behalf of the applicant should complete the application under the applicant's WebGrants account, and not under their own account.

Fiscal agents may apply on behalf of an applicant under the account of the fiscal agent. If awarded, a fiscal agent will hold all responsibility for the grant including reporting, financial management, equipment disposition, and all other granting requirements.

No paper applications will be accepted. Applications will be accepted from February 1 – June 6, 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](#).
- Have a question about grants through the Northeast Dairy Business Innovation Center? Visit our [Frequently Asked Questions webpage](#).

### REGISTERING IN WEBGRANTS

Applicants that have not previously registered in [WebGrants](#) will need to allow 1 – 2 business days for their registration to be processed. During that time, applicants will not be able to login to start an application. Please plan your application process accordingly.

### SUBMISSION POLICY

It is the applicant's responsibility to adhere to all application instructions including the submission dates and times included in this request for applications (RFA). The Northeast Dairy Business Innovation Center via the Vermont Agency of Agriculture, Food & Markets (VAAFAM) will accept the last validated electronic submission through the grants management system, [WebGrants](#), prior to the posted deadline as the final and sole acceptable submission of an application.

Submission or re-submission of incomplete or delayed applications after the posted deadline, barring exceptional circumstances will not be accepted.

**WebGrants will prevent applications from being submitted after the cut-off time.**

### SUBMISSION CONFIRMATION

When an application has successfully been submitted, the applicant will receive a confirmation email from [<agriculturegrants.vermont@mail.webgrantscloud.com>](mailto:agriculturegrants.vermont@mail.webgrantscloud.com). Please add this email address to your "safe senders" list. If you do not receive this confirmation, please check your junk or spam folder.

## 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. At least 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 8 to 12 months in length.

### KEY DATES

#### DATES MAY BE SUBJECT TO CHANGE

<b>January 25, 2024</b>	Request for Application (RFA) released
<b>February 1, 2024</b>	Application opens
<b>June 6, 2024, at 2:00 PM ET</b>	Application closes
<b>July 2024</b>	Applicants notified of award status
<b>August 2024</b>	Estimated grant project start date
<b>Mid-project, date will depend on project</b>	Interim report due
<b>Between April and August 2025, depending on project</b>	Project end date
<b>30 days after end of project</b>	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 an application in the WebGrants system.

### APPLICANT INFORMATION

#### Applicant Information

- Business/organization name, legal entity (e.g., LLC, sole proprietor, etc.), business structure, business demographic information, primary grant contact information
- Contact information for person filling out the application, if different from primary grant contact

#### Applicant Eligibility

- Is the applicant a dairy farmer/producer? If yes:
  - Is the applicant headquartered or based in a Northeast state (Connecticut, Delaware, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, or Vermont)?
  - Does the applicant source or produce milk that originates within the Northeast?
  - Is the applicant a licensed dairy operation in compliance with all required state and/ or federal standards?
  - What dairy animals make up your herd/flock?
  - How many milking animals do you maintain?
- Is the applicant a dairy processor that transforms raw goat and/or sheep milk into an edible product? *Processor applicants must be currently licensed and cannot solely market raw milk for human consumption to be eligible for this grant.* If yes:
  - Is the applicant currently licensed in a way that their product can be sold across state lines?
  - Is the applicant headquartered or based in a Northeast state (Connecticut, Delaware, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, or Vermont)?
  - Does the applicant source or produce milk that originates within the Northeast?
  - Does the applicant manufacture dairy products in the Northeast?
- Is the applicant a dairy producer association that represents and promotes dairy products originating from the Northeast? *For the purpose 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 founded and funded by businesses that operate in a specific industry.* If yes:
  - Describe the producer association, addressing: 1) founding members, 2) how the association is funded, 3) industry scope covered by the association, and 4) association activities. [3000 character limit]
  - If your association encompasses products other than dairy, describe how you will ensure that the project will benefit dairy only. [3000 character limit]

## SECTION II. FULL APPLICATION

- Does this association receive funds from producer check-off dollars? If yes:
  - What percent of the association's annual operating budget comes from producer check-off dollars?
- Is the applicant a technical assistance provider that supports dairy businesses in the Northeast? If yes:
  - Describe: 1) the technical assistance your organization provides, 2) your stakeholders, and 3) who your organization provides services to
- Describe your dairy business, or the business that you will provide service to in terms of side (gross sales, number of employees, production volume), markets, and number of years in business. [3000 character limit]

### Entity History

- Has your business/organization received any federal or state grant in the past 5 years?
  - List the grants received and briefly describe the topic areas of the grant(s). [1000 character limit]
- Has your business/organization or project partners received any (federal, state, or other) grants **for this specific project** in the past 5 years? If yes:
  - List the grants received and the work done under these grants. [1000 character limit]
  - How will the work in this grant differ from and/or build upon that work? [2000 character limit]
- Have you applied for, or do you plan to apply for, other grant(s) in conjunction with this grant? *Leveraging other funds to complete this project is encouraged.* If yes:
  - Please list the other grants you will apply for/have applied for in conjunction with this grant. [1000 character limit]
- Will you be using loans to supplement this application? If yes:
  - Please list the loans you will apply for/have applied for in conjunction with this grant. [1000 character limit]
- 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). [2000 character limit]
- Describe why you and your staff are qualified to complete this project, as proposed. [1000 character limit]
- Rate your business's experience in implementing similar past work/projects related to the one you are proposing. [Select from dropdown: significant experience, some experience, no experience]
- Do you currently work with a business planner to support the financial health and future planning for your business? If yes:
  - Enter their name and organization

## SECTION II. FULL APPLICATION

- Have you received technical assistance related to food safety in preparation of the project, or do you plan to receive related technical assistance during this grant project? *Technical assistance includes grazing specialists, marketing professionals, business planners, small ruminant veterinarian services, and other business viability services.* If yes:
  - List name/organization providing relevant technical assistance
  - Describe the type of technical assistance received [2000 character limit]

## PROJECT DESCRIPTION

### Project Details

- Summarize the proposed project in a couple of sentences. [600 character limit]
- Provide a comprehensive project description that includes 1) the issues that will be addressed and why they are relevant and important for the development of the small ruminant dairy sector, 2) goals and expected outcomes for the project and how they will be achieved, 3) who will benefit from the project and in what ways, 4) the role of any partnerships. Include any background or added context, as needed. [4000 character limit]
- **For Individual Business projects only:**
  - In what ways will this project increase the viability of your business, develop your place in the market, and/or integrate innovation into your business? [4000 character limit]
  - More broadly, how does this project contribute to the further development of the region's goat and sheep dairy sector? [4000 character limit]
- **For Sector Enhancement projects only:**
  - In what ways will this project impact the businesses involved in this project to increase the viability of goat/sheep dairy businesses, develop their role in the marketplace, and/or integrate innovation into their businesses? [4000 character limit]
  - Discuss how this project will strengthen relationships across the goat/sheep dairy supply chain. [4000 character limit]
  - More broadly, how does this project contribute to the further development of the region's goat and sheep dairy sector? [4000 character limit]
- Describe the current state of this project. [4000 character limit]
- Describe the stage you intend to reach by the end of this grant. [4000 character limit]
- Identify at least one Dairy Business Innovation initiative technical assistance resource you referenced in the development of the proposed project. (see Required Project Criteria on page 7) [4000 character limit]
- Describe what you learned from this resource and how it shaped the development of your proposed project. [4000 character limit]
- Identify 2 or more funding priorities, as defined in the RFA, that your project addresses and provide an explanation of how your project aligns (see Funding Priorities on page 5) [4000 character limit]
- Describe the consequences of not receiving these funds. [2000 character limit]



## SECTION II. FULL APPLICATION

- How do you plan to sustain the activities implemented through this project beyond the grant period? [2000 character limit]

### Expected Outcomes

- Describe how you will evaluate the success of your project, including metrics you will track to show your progress. [2000 character limit]
- Provide estimations of the impacts to the dairy sector, resulting from this project. If the applicant will be the only impacted business, enter 1. If the metric doesn't apply to the project, enter 0.
  - Number of dairy businesses that will increase their knowledge about dairy product development or dairy business improvement methods
  - Number of dairy businesses that will implement new or modified farming or processing production methods
  - Will there be an increase in volume of Northeast regional milk that will enter the supply chain from the dairy businesses involved in the project? [Yes/No]
  - Number of new partnerships that will be established between dairy businesses and supply chain businesses
  - Will sales or marketing activities take place or dairy businesses within this project? If yes, estimate:
    - How many dairy businesses will implement new marketing strategies?
    - Number of existing sales outlets that will expand their dairy product offerings either by volume or expanded product category
    - Number of new sales outlets that will expand their dairy product offerings
    - Number of dairy businesses that will increase sales to meet market demand via expanded sales outlet
    - Provide the increase of sales (in \$) expected for all dairy businesses directly involved in this project
  - How many jobs will be created because of this grant project?

### 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. For each activity, provide:

- Detailed description of the activity [2000 character limit]
- Description of the deliverables you will be able to show in your reporting to demonstrate this activity has been successful [2000 character limit]
- Estimated timeframe and/or date of completion of the key activity [2000 character limit]

## SECTION II. FULL APPLICATION

### Sample Project Workplan

Description of key activity	Description of associated deliverables	Estimated timeframe
Purchase new 400-gallon vat-pasteurizer	<ul style="list-style-type: none"> <li>• Proof of down payment on vat-pasteurizer</li> </ul>	March 1 – June 30, 2024
Install new vat-pasteurizer	<ul style="list-style-type: none"> <li>• Photos and/or documentation of installation of vat-pasteurizer</li> <li>• Evidence such as report from state inspector showing equipment is in compliance</li> </ul>	June 1 – August 31, 2024
Development of FSMA-compliant Preventive Control Plan	<ul style="list-style-type: none"> <li>• Contract with food safety consultant to develop food safety plan</li> <li>• Evidence of complete food safety plan</li> </ul>	March 1 – December 31, 2024
3 <sup>rd</sup> party GMP Food Safety Audit	<ul style="list-style-type: none"> <li>• Documentation showing completion of GMP Food Safety Audit</li> </ul>	January 1 – March 31, 2025
Grant and match funds fully expended	<ul style="list-style-type: none"> <li>• Proof of receipt for payment on specialized equipment and installation, contracts</li> </ul>	March 31, 2025

## BUDGET

Please complete the following budget table, listing all grant requests and match contributions.

**Allowable Costs:** Grant funds requested must align with the allowable costs/activities as outlined in the [2021 – 2022 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. For instance, for a grant request of \$20,000, the applicant must demonstrate at least \$5,000 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 25% of the total grant ask. (For example, a grant request of \$7,000 in supplies and \$5,000 in personnel could be matched with \$6,000 of equipment.)
- Match contributions must take place during the grant period

### Budget Table (example)

Expense Category	Grant Funds Requested	Applicant Contribution - Cash Match	Applicant Contribution - In-kind Match	Project Total
Personnel	\$0.00	\$1,000.00	\$0.00	\$1,000.00
Fringe Benefits	\$0.00	\$0.00	\$0.00	\$0.00

## SECTION II. FULL APPLICATION

Expense Category	Grant Funds Requested	Applicant Contribution - Cash Match	Applicant Contribution - In-kind Match	Project Total
Training	\$0.00	\$0.00	\$0.00	\$0.00
Contractual/ Consultant	\$15,000.00	\$0.00	\$2,500.00	\$17,500.00
Supplies	\$0.00	\$1,000.00	\$0.00	\$1,000.00
Equipment	\$0.00	\$0.00	\$0.00	\$0.00
Travel	\$0.00	\$1,750.00	\$0.00	\$1,750.00
Other	\$5,000.00	\$0.00	\$0.00	\$5,000.00
<b>Totals</b>	<b>\$20,000.00</b>	<b>\$3,750.00</b>	<b>\$2,500.00</b>	<b>\$26,250.00</b>

### Budget Narrative

The budget narrative should reflect what you have outlined in your budget table. Grant funds requested must align with the allowable costs/activities as outlined in the [2021 – 2022 AMS Terms and Conditions](#) (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. *Individual Business projects must be between \$15,000 and \$50,000. Sector Enhancement projects must be between \$25,000 and \$75,000.*
- Amount of matching funds. *Projects must demonstrate at least 25% cash/in-kind match.*
- 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 also need to provide a letter of commitment for their match.* [3000 character limit]
- Are all matching funds/contributions committed at this time?
  - If not, provide the sources and timeline/plan for securing these commitments. [2000 character limit]

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 Funds Requested' column of your above budget? 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. [3000 character limit]
- Are 'Fringe Benefit' expenses included in the 'Grant Funds Requested' 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. . [3000 character limit]
- Are 'Training' expenses included in the 'Grant Funds Requested' column of your above budget? If yes:

## SECTION II. FULL APPLICATION

- 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. [3000 character limit]
- Are 'Contractual/Consultant' expenses included in the 'Grant Funds Requested' column of your above budget? *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. [3000 character limit]
- Are 'Supply' expenses included in the 'Grant Funds Requested' 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. [3000 character limit]
- Are 'Equipment' expenses included in the 'Grant Funds Requested' column of your above budget? *Includes rental equipment or purchase of specialized equipment needed for grant activities.* If yes:
  - Equipment: List each piece of equipment (with description if needed) and for each, indicate: 1) whether it is a rental or purchase, 2) grant funds requested per piece, and 3) justification for how this equipment is necessary for the success of this project. [3000 character limit]
- Are 'Travel' expenses included in the 'Grant Funds Requested' column of your above budget? *Please refer to Allowable Costs in the AMS Terms and Conditions for details.* 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. [3000 character limit]
- Are 'Other' expenses included in the 'Grant Funds Requested' column of your budget? *E.g. meetings/conferences, communications/marketing, rental expenses, ads, publication costs.* If yes:
  - Other: Include any expenses not covered in any of the previous budget categories. Be sure to break down costs into cost/unit and provide justification for how the expense is necessary for the success of this project. [3000 character limit]

### 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? If yes:

## SECTION II. FULL APPLICATION

- List any anticipated sources of income generated by the activities covered by this grant. [1000 character limit]
- 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. [2000 character limit]

## SUPPORTING INFORMATION

### Project Partners

If your project includes project partners, they should be identified at the time of application and submit a Letter of Commitment. Partners include any entities outside the applicant's business that are key participants in the project. The following entities would be considered partners:

- Technical assistance (TA) providers offering ongoing support throughout the life of the grant project. This can include TA providers such as business planners, grazing specialists, marketing professionals, small ruminant veterinarian services, and other business viability services.
- Key supply chain partners including farms/processors beyond the applicant, distributors, co-packers, and cross-dockers that are directly involved in grant activities should be listed as partners.

Contractors or equipment dealers/installers should not be included as project partners if they are providing services included in their normal course of business.

**All Sector Enhancement projects must include a minimum of one supply chain partner to be eligible.**

For each partner, provide:

- Partner name
- Title
- Business/Organization
- Description of role in the project [500 character limit]
- Have they committed to partnering?

### Letters of Commitment or 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 other farms or processors, producer associations, or retail outlets who will benefit from the project. Letters of Support should describe the benefits of the project both for the applicant business and the greater dairy sector.

## SECTION II. FULL APPLICATION

### Applicant Requirements

- **Individual Business applicants are required** to include at least one Letter of Support or Commitment.
- **Sector Enhancement applicants are required** to include at least one Letter of Commitment from a supply chain partner that has direct engagement in the project. Applicants that are technical assistance providers or producer associations should provide Letters of Commitment from at least two dairy businesses they intend to work with.
- **All applicants are also required** to include Letters of Commitment from:
  - All listed project partners
  - Technical service providers directly engaged in the project
  - All match contributors outside of the applicant's business/organization

It is strongly encouraged that all letters be written on the writer's letterhead, include their signature, and be submitted as .pdf documents.

Additional letters will increase the competitiveness of the application.

### Supporting Documentation

For applications that request grant funds for specialized equipment, a current quote is required for the equipment and any associated installation costs. Specialized equipment costs over \$5,000 per unit.

Applicants are also encouraged to upload any additional documentation that will support the request for funds. This could include documentation:

- that demonstrates the research and development of the project concept
- examples of previous work that this project will build upon (market research, training, business investments, etc.)
- proof of grants or loans to be used as match
- additional information about partnerships
- demonstrates viability of their business/organization
- evidence of marketplace demand
- contractor bids
- other documentation that provides further context for your proposed project

## III. SCORING CRITERIA

### REVIEWER SCORING CRITERIA

#### Project Proposal & Expected Outcomes (60 points)

Project overview and workplan illustrates an impactful and realistic project that will program will strengthen and support the growth of the Northeast goat and sheep dairy sector. Project addresses at least one of the following: 1) business viability, 2) market development, or 3) innovative approaches to production for goat/sheep dairy	15 points
The project meets the requirements for its category (Individual Business or Sector Enhancement) and has leveraged other resources to support this grant project including technical assistance and/or project partnerships.	15 points
Applicant provides clear and relevant reasoning for timely need for funding and can show that they have a reasonable plan for sustaining the activities implemented in this project past the grant period.	10 points
Applicant demonstrates that their project is well-aligned with funding priorities and provides details to support that.	5 points
Applicant demonstrates meaningful incorporation of existing Dairy Business Initiatives resources to inform their project proposal.	5 points
Applicant provides reasonable expected outcomes via: <ol style="list-style-type: none"> <li>1. A useful plan for evaluating the success of their project including appropriate metrics to track.</li> <li>2. Proposal includes at least one (1) of the following impacts as a result: <ol style="list-style-type: none"> <li>a. Increased knowledge or implementation for dairy businesses in product development</li> <li>b. Increased knowledge for dairy businesses in business management</li> <li>c. Increased volume of regional milk moving into the supply chain</li> <li>d. Increase in sales</li> <li>e. Implementation of new marketing strategies</li> <li>f. Increased access to sales outlets</li> <li>g. Job creation</li> </ol> </li> </ol>	10 points

#### Budget & Documentation (40 points)

Budget and budget narrative are aligned, realistic, and include the required detail necessary to support successful completion of the project.	15 points
Applicant has leveraged the required percentage of match contribution and provided sufficient detail.	10 points

### SECTION III. SCORING CRITERIA

All required letters of support/letters of commitment, partnerships, and supporting documentation meet the requirements outlined in the RFA and clearly illustrate that the grant funds will be a sound investment.	15 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](#) (12/07/2023 Revised).

Prior to commencement of work and release of any payments, grantee will be required to submit:

1. 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.]
2. A current [IRS Form W-9](#) (Request for Taxpayer Identification Number and Certification), signed within the past six months
3. A Unique Entity Identifier (UEI) number, acquired through SAM.gov
4. 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: 40%** of the total grant will be paid to the grantee upon receipt of certificate of insurance and Form W-9, confirmation of UEI, and 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: 40%** 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 report may include but is not limited to:
  - a. Summary of achievements from this project including impacts on the community, public, and other businesses/organizations
  - b. Description of any challenges or changes to the project
  - c. Lessons learned from this project
  - d. Opportunities that arose from the completion of this project
  - e. Plans to build on the work completed under this grant
  - f. Representative documentation and photos representative of the full breadth of activities under this grant
  - g. Final grant and match expenditures
  - h. Project outcomes:
    - i. Results of grantee's measures of success
    - ii. How many dairy businesses directly benefited from this grant project?
    - iii. How many jobs were created because of this grant project?
    - iv. Provide the number of dairy businesses that, due to this grant project:
      1. gained knowledge about dairy product development or dairy business improvement methods
      2. implemented new or modified dairy processes or production methods
      3. developed new product lines
      4. developed new dairy product lines
        - a. how many product categories were created?
      5. improved existing dairy product lines
        - a. how many product categories were improved?
      6. increased their annual sales
        - a. total annual sales increase (in \$) across all dairy businesses directly involved in this project
        - b. how many of those businesses had increased sales due to marketing and/or promotion activities that were a part of this project?
      7. implemented new marketing approaches through this project

## SECTION IV. GRANT MANAGEMENT & REPORTING

- v. Provide the number of existing sales outlets in each of the following categories that expanded their dairy product offerings either by volume or expanded product category, resulting from this project: farmers markets, wholesale markets/buyers, restaurants, retailers, distributors, food hubs, school food programs, other (specify)
- vi. Provide the number of new sales outlets in each of the following categories that expanded their dairy product offerings either by volume or expanded product category, resulting from this project: farmers markets, wholesale markets/buyers, restaurants, retailers, distributors, food hubs, school food programs, other (specify)
- vii. If there were new partnerships established between dairy businesses and supply chain businesses, as a result of this project:
  - 1. How many new partnerships were established?
  - 2. How many of these new partnerships resulted in expanded or improved local/regional dairy infrastructure?
  - 3. How many of those new partnerships resulted in higher profits?
  - 4. How many of those new partnerships resulted in improved marketing channels?
  - 5. How many of those new partnerships resulted in an increase in the volume of Northeast regional milk that entered the supply chain?
  - 6. How many of those new partnerships included a dairy cooperative?
- viii. If the grantee is a dairy business, rate the level of satisfaction/outlook for the future of your dairy business before and after the grant
- ix. 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
- i. If grantee purchased special purpose equipment with grant funds that has a current market value of \$5,000.00 or more, they must complete the following Federal forms with their final report:
  - i. Tangible Personal Property Report
  - ii. Supplemental Sheet
- j. Reporting on any program income generate by the grant activities and description of how income generated is rolled back into the purpose of the grant

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 [Vermont State Insurance Specifications](#) (11/01/2023 revised) to prospective insurers for accuracy.

A summary of the requirements is below:

1. General Liability and Property Damage: with respect to all operations performed under the Agreement, the Party shall carry general liability insurance having all major divisions of coverage including, but not limited to:
  - a. Premises – Operations
  - b. Products and Completed Operations
  - c. Personal Injury Liability
  - d. Contractual Liability
  - e. The policy shall be on an occurrence form and limits shall not be less than:
    - i. \$1,000,000 Each Occurrence
    - ii. \$2,000,000 General Aggregate
    - iii. \$1,000,000 Products/Completed Operations Aggregate
    - iv. \$1,000,000 Personal & Advertising Injury
2. Automotive Liability: if motor vehicles will be or are used in connection with the Agreement, 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. For Contracts involving construction or when performance under the Contract would require a commercial or other specialized driver's license, limits shall not be less than \$1,000,000. When performance includes interstate commerce or transport of hazardous products or materials regulated by the Federal Motor Carrier Administration and set forth in 49 C.F.R. § 387.9, the coverage shall include the MCS-90 endorsement.
3. Additional Insured:
  - a. The General Liability, Property Damage, and Umbrella/Excess coverages required for performance of the Agreement shall include the State of Vermont and its agencies, departments, officers, and employees as Additional Insureds using ISO forms CG2010 and CG2037 or their equivalents.
  - b. If performance of the 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.
  - c. If third-party cyber liability coverage is required, such coverage shall include the State of Vermont and its agencies, departments, officers, and employees as Additional Insureds.

## SECTION IV. GRANT MANAGEMENT & REPORTING

- d. Additional Insured coverage shall be primary and non-contributory with any other insurance and self-insurance and shall include a waiver of subrogation in favor of the State of Vermont.
4. 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. The State 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. For work involving construction, workers compensation coverage shall include a waiver of subrogation in favor of the State of Vermont.
5. Notice of Cancellation or Change: with respect to all required coverage, there shall be no cancellation, change, potential exhaustion of aggregate limits, or non-renewal of insurance coverage(s) without thirty (30) days prior written notice to the State.