NORTHEAST DAIRY BUSINESS INNOVATION CENTER

On-Farm Milk Storage & Handling Grant

2024 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 funds for dairy farmers to improve milk storage and handling with the goal of increasing milk quality, reducing farmers' costs, and increasing energy efficiencies. **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 handling and pick up for both farmers and milk haulers
- make milk storage and handling more efficient
- improve on-farm food safety and/or enhance milk quality

Applications that show a proactive approach to planning for future storage and handling needs and demonstrate a clear, timely need for equipment purchases will be more competitive.

Grants are available to applicants in all Northeast states: Connecticut, Delaware, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, and Vermont.

KEY DATES

RFA Release Date: October 8, 2024

Application Release Date: October 24, 2024

Application Deadline: December 5, 2024 at 2:00 PM ET

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CONTACT

PROGRAM QUESTIONS

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Support is generally available during business hours: Monday–Friday, 7:45 AM to 4:30 PM ET. Assistance may not be available shortly before deadlines.

RESOURCES FOR APPLYING

WebGrants Guides and resources for registering and applying can be found on our Resources for Applicants and Recipients webpage.

REGISTERING IN WEBGRANTS

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

SUBMISSION POLICY

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

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

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

SUBMISSION CONFIRMATION

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

I. PROGRAM OVERVIEW

QUICK FACTS

THE NORTHEAST DAIRY BUSINESS INNOVATION CENTER

The Northeast Dairy Business Innovation Center (NE-DBIC), hosted by the Vermont Agency of Agriculture, Food and Markets (VAAFM), 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 $45.83 million to support projects in the Northeast region of the United States.

ELIGIBILITY SUMMARY

Licensed dairy farmers (producers) located in the Northeast region of the United States may apply for this grant if they both produce milk in one of the 11 Northeast region states and are in compliance with all required state and federal standards.

AVAILABLE FUNDS

Program Total: $1,500,000.00

MINIMUM & MAXIMUM AWARD

Minimum: $15,000.00
Maximum: $50,000.00

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

GRANT FUND DISBURSEMENT

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 following an interim report, and 20% of funds once the grant is complete.

PROJECT LENGTH

Grant periods will range from 6 – 12 months, depending on the project. Pre-award costs may be available, with permission from the NE-DBIC Grant Coordinator.

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 AM23DBIVT1018-00.

FUNDING OPPORTUNITY DESCRIPTION

The NE-DBIC's On-Farm Milk Storage & Handling grant program helps dairy farmers improve milk storage and handling by upgrading equipment and replacing outdated or inadequate systems to move and store milk more efficiently, protect milk quality, and plan for the future while reducing costs. 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 that can demonstrate a need to increase capacity and/or improve handling capabilities, with priority given to applicants who can show that they have planned for resilience to changing market conditions, uncertain growing conditions, and/or supply chain interruptions, therefore increasing business viability.

ELIGIBLE APPLICANTS

Eligible applicants are dairy farmers (producers) from any Northeast state (Connecticut, Delaware, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, and Vermont) that:

- are headquartered or based in the Northeast; and
- produce milk within the Northeast; and
- 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 a grant, they will need to provide the following information. See Grant Agreement and Payment section for more information.

- Certificate of Insurance listing the VAAFM as an additional insured
- Current IRS Form W-9
- Unique Entity Identifier (UEI) acquired via SAM.gov. UEIs are federally issued business identifiers replacing the DUNS system and are free to acquire. Applicants who do not already have a UEI are strongly encouraged to start this process during the application period to ensure a timely start to their grant, if awarded.

ELIGIBLE PROJECTS

Project activities under this grant will ensure that dairy farms are ready and able to meet processor hauling and milk quality demands by improving milk storage and handling.

FUNDING PRIORITIES

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

- Project results in cost savings to the farm
- Project increases energy efficiencies on farm
- Project increases farm's resilience to changing market conditions, uncertain environmental conditions, and/or supply chain interruptions

REQUIRED PROJECT CRITERIA

An effective application will show the following:

- The reason that the farm's existing storage and handling equipment and systems do not meet their current needs, and how this grant project is both timely and necessary for the business to succeed.
- The project is part of a proactive plan for future operation and continued business viability, with measurable results.
- If the farm has issues with milk quality or food safety, the project will improve conditions and address those issues.
- The project will make milk handling more efficient (for example, decreases time/labor needed to move milk from tank to truck; allows farm to move from daily to every other day pickup).
- The project will have significant positive impacts on applicant's business including, but not limited to, cost savings, energy savings, and more efficient movement of milk from farm to processor.
- If the applicant ships milk, their application shows how this grant project will enable the farm to meet their processor's needs and includes a Letter of Support from the processor with all required information (see Letters of Support section below).

ELIGIBLE COSTS

The following is a list of pre-approved equipment and supplies for this program.

PRE-APPROVED EQUIPMENT AND SUPPLIES: At least 75% of grant funds for the project must be used to purchase (and install) new or used specialized equipment for milk storage and handling. Applicant must select at least one of the allowable types of specialized equipment in the following pre-approved list or contact the program manager for approval *before* applying for equipment that is not on this list.

- Milk storage tanks, including bulk tanks and milk silos
- Milk pipelines
- Upgraded glycol chillers
- Farm milk loading systems, including:
- Direct load systems
- Flow stream systems (e.g., Piper System) to improve the rate at which milk is loaded at the farm by using high-speed pumps
- In-line sampling systems for direct loading and in-line weight measuring
- Reclaim systems for water and watering systems (e.g., on-demand tanks)
- New or upgraded cooling equipment
- Plate coolers and heat exchangers

- Equipment installation services (e.g., plumbing in equipment or electrical wiring for the specialized equipment purchased; does not cover construction work for installation)
- Supplies directly related to the project: hot water heater (tank style or on-demand), water filtration, milk pipeline, milk pump, clean-in-place system, sinks)

OPTIONAL: Up to 25% of requested funds can be used for other costs that would complement the installation and purchase of selected equipment, or that otherwise addresses on-farm issues of milk storage capacity, milk handling, and/or increasing energy efficiencies for milk storage or handling. This can include:

- Training on the use of new equipment
- Personnel and Fringe Benefits to manage the grant project
- Travel to source or pick up equipment
- Shipping costs
- Rental of general use equipment (not for construction)

EXAMPLES: ELIGIBLE PROJECTS

- *A farm's bulk storage tank is no longer adequate to keep up with production. Employees regularly interrupt milking to wait for a hauler to load milk, then manually wash the tank before continuing with milking and refilling the tank. Purchasing a newer and larger bulk tank will save time and labor, improve food safety with automatic wash cycles, cool milk more quickly and effectively, and allow room for growth as herd size and milk production increase.*
- *Farmer works with their processor to determine the best purchases to make that will streamline milk pick up. Together, they determine that a direct load system and larger bulk tank will make milk handling more efficient and reduce costs for both the farmer and processor.*
- *A farmer currently uses a dump station in their tie stall barn and wants to convert to a pipeline to increase efficiency and improve milk quality. Using a combination of grant funds and matching funds, they will a purchase a larger bulk tank, new receiving jar, CIP system, on-demand hot water heater, and plate cooler to further improve milk handling and quality.*
- *A farmer's aging plate cooler does not cool milk efficiently or effectively, resulting in high bacteria counts that decrease the farm's milk prices and occasionally result in significant waste because of dumped milk. The purchase of a new glycol chiller will enhance food safety, reduce dumping waste, enable the farm to obtain higher milk prices, and reduce water usage. The new chiller can also accommodate larger production in the future.*

INELIGIBLE PROJECTS

- Projects not primarily located within the Northeast
- Projects that solely support the production or sales of raw fluid milk meant for human consumption without pasteurization
- Projects that use grant funds for:
    - Construction (match funds can be used for construction activities)
    - 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 2023 AMS Terms and Conditions (8.0 Allowable Costs and Activities).

EXAMPLES: INELIGIBLE PROJECTS

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

APPLICATION REQUIREMENTS

All applications must include:

- a project budget;
- a Letter of Support from businesses or organizations that are connected to but not directly engaged in project work;
- Letter of Support from processors (for farms that ship milk);
- Letters of Commitment from outside match contributors (if applicable);
- quotes or bids for all specialized equipment purchases and installation services;
- additional supporting documents as applicable.

These requirements are explained in more detail below.

PROJECT BUDGET

At least 75% of all requested grant funds must be used for the purchase and installation of pre-approved specialized equipment and supplies. Please refer to the **Pre-Approved Specialized Equipment** section above for a full list of pre-approved equipment and supplies. Grant funds requested must align with the allowable costs detailed in the 2023 AMS Terms and Conditions. Grant or match funds may not be used for purchases made before the date the grant period starts.

Quotes for all specialized equipment and installation services are required in this application.

MATCHING FUNDS

All proposals must include matching funds which represent at least **25%** of the grant request (for example, for a grant request of $20,000, the applicant must commit to at least a $5,000 match) or a match waiver request. 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% 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. Any requests for match waiver must be supported by a detailed explanation.

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

Example of an eligible budget that shows 25% matching funds for a $50,000 grant request:

Expense Category	Grant Funds Requested	Applicant Contribution - Cash Match	Applicant Contribution - In-kind Match	Project Total
Equipment	$45,000.00	$5,000.00	$0.00	$50,000.00
Personnel	$0.00	$0.00	$2,500.00	$2,500.00
Fringe	$0.00	$0.00	$0.00	$0.00
Training	$0.00	$0.00	$0.00	$0.00
Contractual/Consultant	$0.00	$0.00	$0.00	$0.00
Supplies	$5,000.00	$0.00	$0.00	$5,000.00
Travel	$0.00	$0.00	$0.00	$0.00
Other	$0.00	$5,000.00	$0.00	$5,000.00
TOTALS	**$50,000.00**	**$10,000.00**	**$2,500.00**	**$62,500.00**

LETTERS OF SUPPORT AND COMMITMENT

At least one Letter of Support or Commitment is required for each application. 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** for this application from the applicant's processor.

Dairy Processor Letter of Support should include the following information:

- Description of current processor relationship with the applicant (including milk pick up frequency, volume, and price deductions or premiums)
- Description of how the activities of this grant will benefit the processor
- Description of how the processor relationship will change with these improvements (changes in milk pick up frequency, increased milk volume, potential milk quality premiums or reduced deductions)
- Processor should indicate that the project as proposed will ensure the farm is in compliance with their production standards.

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

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

LETTERS OF COMMITMENT

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

Letters of Commitment should explain project partners' involvement and identify the contributions they will make to ensure the project's success. Match contributors should describe and assign value to their match commitment including financial or in-kind support (for example, labor provided will require 40 hours at a rate of $20/hour = $800 match).

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

SUPPORTING DOCUMENTATION

Include any additional information that shows the potential impact of this grant, such as evidence of cost or energy savings, impact on business viability, quotes for work included in the proposed activities, or other relevant information about the business or the project. **Quotes or bids are required for all specialized equipment purchases and installation services covered by grant funds.**

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 **October 24, 2024 – December 5, 2024 at 2:00 PM ET**. Applicants that have not previously registered in WebGrants will need to allow 1 – 2 business days for their registration to be processed. During that time, applicants will not be able to login to start an application. Please plan your application process accordingly.

We strongly advise that you submit your application ahead of the deadline. Be advised that technical assistance with WebGrants may not be available shortly before deadlines; please plan accordingly.

APPLICATION REVIEW

Applications will each be reviewed by a multi-state NE-DBIC advisory committee comprised of representatives from Northeast state agriculture agencies/departments, agriculture extension agencies, and dairy sector stakeholders. Three reviewers will be assigned to score each application. Funding decisions are made according to scoring, reviewer comments, past grant performance, and with consideration to diversity across geography, herd type (as applicable), 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.

GRANT PROGRAM TIMELINE

DATES MAY BE SUBJECT TO CHANGE

October 8, 2024	Request for Application (RFA) released
October 24, 2024	Application period opens
December 5, 2024 at 2:00 PM ET	Application closes
January 2025	Applicants notified of award status
February 2025	Estimated grant start date
June 2025, date may depend on project	Interim report due
January 31, 2026	Project end date
February 28, 2026	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
- [Optional] demographic information

Applicant Eligibility

- Is the applicant a dairy farmer based in a Northeast state (CT, DE, MA, MD, ME, NH, NJ, NY, PA, RH, or VT)?
- 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?
- Describe the applicant's farm operation in terms of size (gross sales, number of employees, production volume), dairy animal type(s), markets, and number of years in business.

Entity History

- Has your business/organization received any federal or state grant in the past 5 years?
- Have you or your project partners received any (federal, state, or other) grants **for this specific project** in the past 5 years? If yes:
    - List the grants received.
    - Describe the work done under these grants.
    - How will the work in this grant differ from and/or build upon that work?
- Have you applied for, or do you plan to apply for, other grant(s) in conjunction with this grant? If yes:
    - Please list the other grants you will apply for/have applied for in conjunction with this grant.
- The Farm Service Agency offers low-interest loans for on-farm commodity storage. Have you been in contact with your FSA representative?
- Will you be using loans to supplement this application?
- Has your business ever been unable to complete or adhere to granting requirements for a grant you were awarded? If yes:
    - Describe the circumstances that prevented you from completing/adhering to the requirements of your grant(s).

- Describe why you and your staff are qualified to complete this project, as proposed.
- Rate your business's experience in implementing similar past work/projects related to milk storage or handling improvements. (Select from dropdown: significant experience, some experience, no experience)
- Do you currently work with a farm business planner to support the financial health and future planning for your business? If so, enter their name and organization.
- Have you received technical assistance related to milk storage and handling in preparation of the project, or do you plan to receive related technical assistance during this grant project? If so, list name and organization and describe the technical assistance received.

PROJECT DESCRIPTION

Project Overview

- Describe your project in one to three sentences. [600 character limit]
- What are the current problems that your farm is facing regarding milk storage and handling? [3000 character limit]
- What is your current milk storage and handling equipment, and how is it related to the problems you have identified? [3000 character limit]
- How will your grant project directly address and solve those problems? [3000 character limit]
- Why is this project necessary now, and how does it fit into plans for the farm's future operations and/or growth? [3000 character limit]
- What will be the consequences of not receiving this funding? [600 character limit]
- Which of the following program funding priorities does your project address? (note: projects are required to meet at least two of these three priorities)
    - Project will result in cost savings to the farm
    - Project will increase energy efficiencies on the farm
    - Project will increase farm's resilience to changing market conditions, uncertain environmental conditions, and/or supply chain interruptions
- Provide an explanation of how your project addresses the funding priorities you have identified. [1000 character limit]
- Will this project improve your food safety practices related to milk storage? If yes:
    - Please describe food safety changes and expected measurable improvements. [2000 character limit]
- Will this project improve the quality of the milk that you process or ship to processors? If yes:
    - Please describe the milk quality issues you hope to improve with the purchase of new equipment. [2000 character limit]
- Will you and/or your employees develop new processes or skills as a result of this project? If yes:
    - What are those processes/skills and how will they increase your farm's business viability? [2000 character limit]

- What benefits, if any, do you expect to see for your processor as a result of this project? (if you process your own milk, write N/A) [2000 character limit]

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 [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]

Example Project Workplan

Description of key activity	**Description of associated deliverables**	**Estimated timeframe**
Remove existing bulk tank and replace with new 4000-gallon tank and condenser	• Invoice and proof of down payment for new tank/condenser • Photos of the removal of old tank and preparation of site for new tank installation	February 1 – April 30, 2025
Install new bulk tank and condenser	• Photos and/or documentation of installation	May 1 – June 30, 2025
Inspection and calibration of new tank	• Inspection report showing equipment is in compliance with state standards	July 1 – July 31, 2025
Improvements in milk quality are evident	• Documentation showing a comparison of bacterial counts in milk for at least 3 months before and after installation of the new systems	August 1, 2025 – November 15, 2025
Grant and match funds fully expended	• Proof of receipt for payment on specialized equipment and installation, contracts	January 31, 2026

EXPECTED OUTCOMES

- How will you know that this project was successful, and 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.). [400 character limit]
- 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 x 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 $)
- 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 DOCUMENTATION

Upload the following:

- (**Required**) A current quote for each piece of specialized equipment (and any associated installation costs) requested in this grant. "Specialized equipment" must be identified from the **list of pre-approved equipment** in the RFA and cost over $5,000.
- 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 SUPPORT/COMMITMENT

At least one Letter of Support or Commitment is required for each application. 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. Letters of Commitment should explain the contributors' involvement and identify how they will contribute to the project's success.

Letters of Support from Applicant's Dairy Processor

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

Dairy Processor Letter of Support should include the following information:

- Description of current processor relationship with the applicant (including milk pick up frequency, volume, and price deductions or premiums)
- Description of how the activities of this grant will benefit the processor
- Description of how the processor relationship will change with these improvements (changes in milk pick up frequency, increased milk volume, potential milk quality premiums or reduced deductions)
- Processor should indicate that the project as proposed will ensure the farm is in compliance with their production standards.

Letters of Commitment

If you have secured matching funds from any contributors outside of your business, please add a Letter of Commitment from each of those contributors. Match contributors should fully describe and assign value to their match commitment for both financial or in-kind support.

If there are no match sources outside the applicant's business, the applicant is exempt from this part of the requirement, but must still provide a Letter of Support.

Additional Letters of Support are welcome, but not required.

BUDGET

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 specialized equipment**. Grant funds requested must align with the allowable costs detailed in the 2023 AMS Terms and Conditions (see 8.0 Allowable Costs and Activities).
- **Match contributions**: Applicants are required to provide at least 25% in match as cash and/or in-kind sources. (e.g. $20,000 of requested grant funds corresponds with at least $5,000 in match contributions.) Match contributions must take place during the grant period. Match contributions are not required to reflect 25% per expense line, but they must make up 25% of the total grant ask. Requests for match waivers will be considered, but are not guaranteed.

Refer to the Project Budget section above for more details, including match and budget examples.

Example:

Expense Category	Grant Funds Requested	Applicant Contribution - Cash Match	Applicant Contribution - In-kind Match	Project Total
Equipment	$45,000.00	$5,000.00	$0.00	$50,000.00
Personnel	$0.00	$0.00	$2,500.00	$2,500.00
Fringe	$0.00	$0.00	$0.00	$0.00
Training	$0.00	$0.00	$0.00	$0.00
Contractual/Consultant	$0.00	$0.00	$0.00	$0.00
Supplies	$5,000.00	$0.00	$0.00	$5,000.00
Travel	$0.00	$0.00	$0.00	$0.00
Other	$0.00	$5,000.00	$0.00	$5,000.00
TOTALS	**$50,000.00**	**$10,000.00**	**$2,500.00**	**$62,500.00**

BUDGET NARRATIVE

The budget narrative should reflect what you have outlined in your budget table. Grant funds requested must align with the allowable costs/activities as outlined in the 2023 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. Must be between $15,000 and $50,000.
- Amount of matching funds. Projects must demonstrate at least 25% cash/in-kind match.
- List each: match source, contribution amount (and specify if it is cash or in-kind), and describe how the contribution will be used to accomplish your project activities. [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]
- Are you requesting a match waiver for this grant? If so:
- describe why you need a match waiver accommodation. [2000-character limit] (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? 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. *Includes rental equipment or purchase of specialized equipment needed for grant activities.* [3000-character limit]
- Are 'Personnel' expenses included in the 'Grant Request' 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 Request' column of your budget? If yes:
    - Fringe Benefits: for each of the project's salaried employees, provide the 1) fringe benefit rate and 2) grant funds requested. [3000-character limit]
- Are 'Training' expenses included in the 'Grant Request' column of your above budget? If yes:
    - Training: for each training, provide 1) description, 2) estimated cost, and 3) justification for how the expense is necessary for the success of this project. [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) detailed 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 Request' column of your above budget? Supplies include materials, supplies, and fabricated parts costing less than $5,000 per unit. If yes:
    - Supplies: List each supply (with a description if needed). For each, provide: 1) per unit cost, 2) # units purchased, 3) grant funds requested, and 4) justification for how this supply is necessary for the success of this project. [3000-character limit]
- Are 'Travel' expenses included in the 'Grant Request' column of your above budget? Travel costs must not exceed Federal GSA rates. Refer to Allowable Costs in the RFA.
    - 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 Request' column of your budget*? E.g. rental expenses, shipping.* 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]

III. SCORING CRITERIA

REVIEWER SCORING CRITERIA

Project Proposal (70 points)

Project overview and workplan illustrate a realistic project that will improve the farm's long-term ability to make storage and handling more efficient and to reduce energy use and product waste. Applicant provides clear and relevant reasoning for timely need for funding.	20 points
Applicant shows that the project will have significant impacts on their business, including potential cost savings, energy savings, and more efficient movement of milk from farm to processor, and considers future farm/processor needs.	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 demonstrates that their project is well-aligned with funding priorities and provides details to support that.	15 points

Budget/Expected Outcomes (30 points)

Budget and budget narrative are realistic and sufficient to accomplish the work proposed.	10 points
Application includes quotes for any equipment purchases and installation services included in the grant budget.	10 points
Applicant has leveraged the required percentage of match contribution and provides high-level details on match sources.	5 points
Applicant provides reasonable expected outcomes via: • A useful plan for evaluating the success of their project including quantifiable metrics to track. • Proposal includes at least one (1) of the following: • Increase in revenue Increase in volume of milk moving into the supply chain	5 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 (VAAFM) indicating their intent to complete the proposed project and authorizing NE-DBIC/VAAFM 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 .

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: 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:

- Grantees will submit an Interim Performance Report mid-project that may include but is not limited to:
    - Summary of status of grant activities
    - Description of successes and challenges
    - Discussion of any modifications deemed necessary and justification for changes
    - Documentation that demonstrates progress on grant's key activities.
    - Expenditures to date
- Grantees will submit a Final Performance Report no later than thirty (30) days from the grant end date. Final reports may include but is not limited to:
    - Project Overview:
        - Summary of achievements from this project including impacts on the community, public, and other businesses/organizations
        - Description of any challenges or changes to the project
        - Lessons learned from this project
        - Opportunities that arose from the completion of this project
        - Plans to build on the work completed under this grant
    - Key Activity Outcomes:
        - Representative documentation and photos representative of the full breadth of activities under this grant
    - Final grant fund and match expenditures
    - Measures of Impact for:
        - Increases of access/consumption/sales of dairy
        - Any partnerships that were established
        - Business development
        - Satisfaction/outlook for the grantee's business
        - Changes in farm production methods
    - Standard forms for specialized equipment

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.

   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.