

AGRI Sustainable Agriculture Demonstration Grant

2021 Request for Proposals

Table of Contents

Background	3
Timeline and Deadlines for Grant Program	3
Grant Eligibility	3
Eligible Applicants	3
Cooperators & Cooperator Letters	4
Eligible Projects	4
Expenses.....	5
Matching Funds.....	6
Application Review Policies	6
Review and Award Process	6
Conflicts of Interest	6
Application Instructions	7
How to Apply.....	7
Getting Help	7
Tips for Applicants.....	7
Data Collection, Privacy Notice, and Data Classification	7
Additional Requirements of Grant Recipients	8
Grant Award Agreement.....	8
Pre-Award Financial Review.....	9
Reporting and Payment Requirements.....	9
Bidding Requirements.....	9
Audits	9
Affirmative Action and Non-Discrimination Requirements	10
Voter Registration Requirement	10
AGRI Background and Program Goals	10
Project Evaluation Profile	11
Application Questions	12
Applicant Information	12
Project Outline	12
Farmer Applicants Only.....	13
Non-Farmer Applicants Only.....	13
Project Details	13
Budget Details	15
Other Sources of Funding.....	15
Letters of Support	16
Additional Documents.....	16

Background

The AGRI Sustainable Agriculture Demonstration Grant (SustAg) program is designed to demonstrate and publicize the energy efficiency, environmental benefit, and profitability of sustainable agriculture techniques or systems from production through marketing. It funds projects that explore sustainable agriculture practices and systems that could make farming more profitable, resource efficient, and personally satisfying. Findings are published in the Minnesota Department of Agriculture’s (MDA’s) annual [Greenbook](#). Grants fund research or demonstrations on Minnesota farms.

Projects must have a duration of at least two years but may last no more than three. Projects culminate through an outreach event in the form of a field day or other virtual event during the final season/year of the project to share outcomes with other producers. Examples of outreach events may include, but are not limited to field days, video diaries, posts of how-to guides, blog posts, podcast interviews, presentations at ag-based conferences or meetings, etc.

Applicants may request up to \$50,000 per project. The first \$25,000 does not need to be matched by the applicant. For requests between \$25,000 and \$50,000, applicants must provide a dollar for dollar match on the amount above \$25,000.

The MDA anticipates awarding approximately \$200,000 this year. We expect to award approximately 8-15 grants, but the final number depends on the size of the awards.

Timeline and Deadlines for Grant Program

Questions due no later than 4:00 pm CST	December 1, 2020
Applications due no later than 4:00 pm CST.....	December 10, 2020
Applicants notified of decisions; grant agreement negotiations begin.....	February 5, 2021

Grant Eligibility

Eligible Applicants

Minnesota farmers, educational institutions, individuals at educational institutions, and nonprofit organizations are eligible to apply. Government entities are not eligible. Applicants must be Minnesota residents. Projects must take place on Minnesota farms. Projects led by a farmer or group of farmers receive priority. An applicant may be awarded only one SustAg grant in this round of grants.

A farmer is someone who cultivates, operates, or manages a farm for profit, and who grows or raises at least \$1,000 of agricultural products for sale annually.

MDA employees and their spouses are not eligible to receive grants from this program.

Cooperators & Cooperator Letters

If you are a farmer:

You must involve at least one **Technical Cooperator**. They should have technical expertise that will strengthen the project. It might be assistance in soil science, biology, agronomy, horticulture, entomology, engineering, marketing, finance, data collection, statistics, etc. Technical cooperators may be from University Extension, community colleges, Soil and Water Conservation Districts, Minnesota Institute for Sustainable Agriculture (MISA), or other similar organizations. Technical Cooperators can help design the project, carry it out, and/or review and interpret the results. This person is expected to serve as an advisor – not someone you pay to do the project for you. A Technical Cooperator cannot be a family member.

Applications must include a letter of commitment from at least one Technical Cooperator. In the letter, the Technical Cooperator must explain how they will contribute to the project. If the budget contains funds for the Technical Cooperator, the letter must include the hourly rate that they will charge. If your application does not include a Technical Cooperator, you will not be eligible to receive grant funds.

If you are NOT a farmer:

You must have at least one **Farmer Cooperator** who is meaningfully involved in designing and carrying out the project. The budget should include funds to compensate the farmer for their involvement. The farmer is expected to be involved in project – not simply provide land where it can be conducted.

Applications must include a letter of commitment from the farmer(s). In the letter, the farmer must explain how they will be involved in the project. If your application does not include a Farmer Cooperator, you will not be eligible to receive grant funds.

Eligible Projects

Grant projects need to show:

1. The ability to maximize direct or indirect energy savings or production;
2. A positive effect or reduced adverse effect on the environment; and
3. Increased profitability for the individual farm by reducing costs or improving marketing opportunities.

Every project must publicize and hold an outreach event in the form of a field day or other virtual event in the final season/year of the project.

Examples of eligible projects:

- Increased environmental sustainability and improved soil health
- Conservation tillage and weed management
- Novel cover crops and crop rotations
- Nutrient and pesticide management, including runoff protection
- Farm-based energy efficiency or production such as wind, methane, or biomass

- Integrated pest management systems for insects, weeds, and diseases
- Seed breeding and/or conservation
- Livestock production systems or management strategies
- Developing/refining/improving marketing opportunities, including season extension and post-harvest storage and handling
- Novel enterprise diversification, including organic production, using traditional and non-traditional crops and livestock
- Other creative ideas that address farm input reduction or management, conservation, energy, and/or profitability

Reviewers are looking for interesting ideas that may or may not work. Ideas do not have to be brand new but should be new to Minnesota or the part of the state where they're being proposed. For more ideas, see previously funded projects summarized in the [Greenbook](#).

Expenses

Eligible Costs

- Wages for time spent directly on the grant project (beyond normal farming operations). Provide justification for the hourly rate.
- Consultant fees. Provide justification for the hourly rate.
- Costs to lease or use farm equipment needed for the project.
- Special purpose equipment or other items necessary to achieve the objectives for the project valued at less than \$1,500 each.
- Project-related services such as soil testing or other analyses.
- Project-related travel.
- Postage, printing, and telephone expenses related to the project.
- Outreach expenses (advertising, handouts, refreshments, etc.) for one outreach event in the final year.

Ineligible Costs

- Long lasting, general purpose equipment. Examples include tractors, motorized vehicles, buildings (including greenhouses and high tunnels), windmills or wind turbines, building construction, and computers. However, these items may be rented as needed to conduct the project.
- Project specific equipment items that cost more than \$1,500 each.
- Compensation for a grant writing consultant or grant manager.
- General operating costs and indirect costs.
- Business or organizational start-up costs (i.e., starting a farm) or expansion costs.
- Pre-award costs (expenses incurred before a contract is signed).

Matching Funds

- Projects that are receiving more than \$25,000 in State funding require matching funds; otherwise no cash match is required.
- In general, all match must be in the form of cash. Sources of the cash-match may include non-state funds (funds that were NOT obtained through the budgeting process of the Minnesota Legislature or granted by a State agency) in the form of cash, loans, other grants, or liquid capital assets dedicated to the project. If the proposed project has been submitted to or funded by a Federal grant program, please specify the grantor, the funding amount, and the purpose of that grant funding.
- The only in-kind source of the match that will be accepted is the value of the applicant's or cooperator's land used to conduct the grant project. Applicants must use [average farmland rental rates](#) or [farmland rent](#) from University of Minnesota Extension to calculate the value if a rate is available. If land will be rented or leased to conduct this project (will be a cost item in the budget) then the value of this land cannot also be claimed as an in-kind match.

Application Review Policies

Review and Award Process

A review committee comprised of soil scientists, agronomists, postsecondary educators, ag marketing specialists, sustainable and organic farmers, or other agricultural experts evaluates all eligible applications based on the criteria in the Project Evaluation Profile. The Commissioner of Agriculture reviews the committee recommendations and is responsible for award decisions. The review committee and Commissioner may use rural/urban and geographic diversity when making their recommendations and decisions. We will notify applicants, both successful and unsuccessful, in writing by ten weeks after the proposal deadline.

Conflicts of Interest

We will take steps to prevent individual and organizational conflicts of interest, both in reference to applicants and reviewers per [Minn. Stat. §16B.98](#) and the [Conflict of Interest Policy for State Grant-Making \(PDF\)](#).

Organizational conflicts of interest occur when:

- A grantee or applicant is unable or potentially unable to render impartial assistance or advice to the MDA due to competing duties or loyalties.
- A grantee's or applicant's objectivity in carrying out the grant is or might be otherwise impaired due to competing duties or loyalties.

In cases where a conflict of interest is suspected, disclosed, or discovered, the applicants or grantees will be notified and actions may be pursued, including but not limited to disqualification from eligibility for the grant award or termination of the grant agreement.

Application Instructions

How to Apply

Grant applicants are required to submit proposals through our [online application system](#).

All completed applications must be received by 4:00 p.m. CST on Thursday, December 10, 2020. Late applications will not be considered. The MDA is not responsible for any technical or logistical problems resulting in the MDA not receiving the application on time. It is the responsibility of the applicant to ensure that submission is received by the MDA before the deadline.

Getting Help

Questions must be submitted by email to MDA.AGRIGrants@state.mn.us with “AGRI SustAg Questions” in the subject line by 4:00 p.m. CST on Tuesday, December 1, 2020. Responses to all questions regarding the application process will be posted on the [Questions and Answers](#) portion of the AGRI SustAg webpage. You may contact the Grants Team with technical assistance questions up to the submittal deadline.

Questions should not be submitted through other means. MDA employees are not authorized to provide advice on any applications. Applicants who solicit or receive advice from unauthorized MDA employees may be disqualified from eligibility for a grant award.

Tips for Applicants

The most common reasons proposals score poorly:

- Application doesn't clearly explain the importance or potential impact of project. The proposal should show that the findings are going to benefit more farmers than just the applicant and why this project is important for the agricultural community.
- Project is more about personal gain than about demonstrating a new or different technique or approach that others could benefit from.
- Budget is unrealistically high, includes purchase of ineligible items, or has excessive purchased services or consultant costs (more than 40% of the total cost).
- Application has poor budget detail – it's unclear how the money will be spent.
- Proposal has inappropriate technical or farmer cooperators or includes no cooperators.
- Plan to share information and lessons learned is weak or no outreach event is included.
- Project is trying to accomplish too much. Simple projects with one or two clear objectives tend to score better.
- Application doesn't explain how the project will be evaluated or measured.

Data Collection, Privacy Notice, and Data Classification

The information provided by an applicant will be used to assess the applicant's eligibility to receive a grant under the AGRI Program. The decision to apply for this grant is voluntary, and applicants are not legally

required to provide any of the requested information. Applicants may decline to complete this application without any legal consequence. However, only completed applications will be considered for a grant; incomplete applications will not be considered.

Data provided in this application is initially classified by the Minnesota Data Practices Act as private or nonpublic, although some or all the data will generally become public at various points of the application process unless the data are otherwise classified by state or federal law. Access to private or nonpublic data is limited by law to MDA staff and contractors with a valid work assignment to access the data, parties authorized by the applicant or by a valid court order, Minnesota Management and Budget, Minnesota Department of Administration, the state auditor, and the legislative auditor. If necessary, the MDA may also share the data with law enforcement or the Office of the Minnesota Attorney General.

Per [Minn. Stat. 13.599](#):

- Names and addresses of grant applicants, and the grant amount requested, will be public data once application responses are opened.
- All remaining data in application responses (except trade secret information, see below) becomes public data after the evaluation process is completed (for the purposes of this grant, when all grant agreements have been fully executed).
- All data created or maintained by the MDA as part of the evaluation process (except trade secret information, see below) will be public data after the evaluation process is completed.
- Trade secret information (as defined in [Minn. Stat. § 13.37](#)) is classified as private or nonpublic. In order for an applicant to protect data submitted as part of this application as trade secret information, the applicant must identify the specific formula, pattern, compilation, program, device, method, technique or process that the applicant wishes to protect, and provide an explanation of the economic value of keeping the data from being generally known to other persons. Determining what constitutes trade secret information is ultimately the responsibility of MDA, and MDA cannot guarantee that data marked by an applicant as trade secret information or marked “confidential” will be classified as such. If MDA determines that data do not meet the definition of trade secret information, that data will be available to the public unless the applicant secures a court order saying otherwise.

Additional Requirements of Grant Recipients

Grant Award Agreement

Upon approval of an application and prior to beginning work on the grant project and receiving reimbursement, the applicant is required to do the following:

- Complete an IRS W-9 form or register as a vendor in SWIFT, the State’s accounting system, and submit other required documentation within 30 days of receipt of the award; and
- Complete and submit a Grant Affidavit for Individuals if receiving a grant as an individual (i.e. tie grant to your social security number) within 30 days of receipt of the award; and

- Sign a Grant Award Agreement indicating their intention to complete the proposed tasks within 30 days of receiving the contract. Failure to submit the signed agreement may result in loss of the grant award. The agreement also authorizes the MDA to monitor the progress of the project.

Eligible expenses may only be incurred after the contract has been signed by all parties.

Pre-Award Financial Review

All Non-Governmental Organizations applying for grants from the State of Minnesota must undergo a financial review prior to a grant award made of \$25,000 and higher. **All for-profit organizations, including individuals and farms, and the University of Minnesota are excluded from this requirement.**

One of the following documents will be requested, based on the following criteria:

- Grant applicants with annual income of under \$50,000, or who have not been in existence long enough to have a completed IRS Form 990 or audit should submit their most recent board-reviewed financial statements.
- Grant applicants with total annual revenue of \$50,000 or more and less than \$750,000 should submit their most recent IRS Form 990.
- Grant applicants with total annual revenue of over \$750,000 should submit their most recent certified financial audit.

Reporting and Payment Requirements

To receive grant payments, grantees must complete and submit an annual progress and financial report to the MDA each January. The progress report explains the activities and results achieved during the year; it includes pictures, tables, and figures and is the basis for each article in the next [Greenbook](#). The financial report details all the grant project expenditures made during each calendar year alongside the approved budget. The progress report needs to be approved by the MDA before the grantee receives the following year's advance payment. Ten percent of a grantee's award is retained and paid to the grantee, according to actual project expenditures, after approval of their final progress and financial reports.

The MDA reserves the right to modify reporting requirements during the project. Information submitted in any report will be a public record.

The MDA will also perform monitoring visits of all grantees with awards of at least \$25,000 before a final payment is approved; other grantees may receive monitoring visits at the discretion of the MDA.

Bidding Requirements

All funded applicants will be required to abide by the State's bidding requirements for larger purchases. See a detailed list of the state's [bidding requirements](#) for details.

Audits

Per [Minn. Stat. §16B.98 Subdivision 8](#), the grantee's books, records, documents, and accounting procedures and practices of the grantee or other party that are relevant to the grant or transaction are subject to

examination by the granting agency and either the legislative auditor or the state auditor, as appropriate. This requirement will last for a minimum of six years from the grant agreement end date, receipt, and approval of all final reports, or the required period of time to satisfy all state and program retention requirements, whichever is later.

Affirmative Action and Non-Discrimination Requirements

The grantee agrees not to discriminate against any employee or applicant for employment because of race, color, creed, religion, national origin, sex, marital status, status in regard to public assistance, membership or activity in a local commission, disability, sexual orientation, or age in regard to any position for which the employee or applicant for employment is qualified. [Minn. Stat. §363A.02](#). The grantee agrees to take affirmative steps to employ, advance in employment, upgrade, train, and recruit minority persons, women, and persons with disabilities.

The grantee must not discriminate against any employee or applicant for employment because of physical or mental disability in regard to any position for which the employee or applicant for employment is qualified. The grantee agrees to take affirmative action to employ, advance in employment, and otherwise treat qualified disabled persons without discrimination based upon their physical or mental disability in all employment practices such as the following: employment, upgrading, demotion or transfer, recruitment, advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. [Minnesota Rules, part 5000.3500](#).

The grantee agrees to comply with the rules and relevant orders of the Minnesota Department of Human Rights issued pursuant to the [Minnesota Human Rights Act](#).

Voter Registration Requirement

The grantee will comply with [Minn. Stat. §201.162](#) by providing voter registration services for its employees and for the public served by the grantee.

AGRI Background and Program Goals

The [Agricultural Growth, Research, and Innovation](#) (AGRI) Program was established to advance Minnesota's agricultural and renewable energy industries ([Minn. Stat. 41A.12](#)). AGRI has made significant economic impacts by increasing productivity, improving efficiency, and assisting the development of agricultural products.

Project Evaluation Profile

CATEGORY	MAXIMUM SCORE
Is the project leader a farmer or group of farmers?	5
Does the applicant appear to have the necessary qualifications to do this project?	5
Does the project show positive effects on the environment, farm profitability, and energy savings or production?	10
Project Rationale <ul style="list-style-type: none"> Is there a compelling reason to do this project? Will this project inform or demonstrate best management practices? Could the demonstrated technologies or techniques be adopted and used by other Minnesota farmers? 	15
Project Design and Methods <ul style="list-style-type: none"> Do the design and methods follow from the rationale and objectives? Are the objectives clear and answerable? Will the plan of work accomplish the objectives? Are there supporting documents detailing the design of the project? 	20
Evaluation <ul style="list-style-type: none"> Is there a plan for measuring and evaluating project outcomes (preferably for each objective)? Does the project include a basis of comparison (for example, a control plot or treatment)? 	15
Is an outreach event planned for final year?	Yes/No
Outreach <ul style="list-style-type: none"> How effective is the plan to share information about the project with farmers and the broader agricultural community? 	10
Budget <ul style="list-style-type: none"> Is the budget appropriate for the project as described? (Just right, too much, too little?) Are the itemized costs realistic? Is budget detail sufficient to justify the request? Are consulting/purchased service charges less than 40% of the total cost? 	15
Are the Commitment Letter(s) from Farmer or Technical Cooperator(s) included?	Yes/No
Technical or Farmer Cooperator(s) <ul style="list-style-type: none"> Do Technical Cooperators provide the expertise this project needs? Are the Farmer Cooperators meaningfully involved? Do Commitment Letter(s) describe the expertise, role in project, and hourly rate charged (if any) of the Cooperator? 	5
Total Points Possible	100

Application Questions

Applicant Information

- Applicant Name
- Organization/Business Name
- Organization Mailing Address
- Organization Telephone
- Organization Email

Authorized Representative

If awarded a grant, the person that will sign the SustAg Grant contract agreement for this organization.

- Name
- Telephone
- Email

Project Outline

Project Name. *Limit 100 characters.*

County(ies) where project will take place. *Limit 250 characters.*

Project Duration (may not start until after the grant agreement contract is signed and must last between two and three years).

- Start Date:
- End Date:

Abstract (one paragraph that summarizes your project). *Limit 1,000 characters.*

Project Objectives (what are you trying to show/test/demonstrate?). List up to three. *Limit 500 characters each.*

List the enterprise(s) involved in this project (field crops, fruit, vegetables, livestock, energy, etc.). *Limit 250 characters.*

Total Budget Request

Note: Unmatched grant funds cannot exceed \$25,000; must provide a dollar for dollar match for grant funds over \$25,000 up to maximum grant funds of \$50,000.

Example: Total project cost = \$45,000; grant funds requested = \$35,000; matching funds provided = \$10,000.

- Total project cost
- Grant funds requested
- Matching funds provided

Farmer Applicants Only

Do you meet the definition of a farmer as described in the Eligible Applicants section of this proposal?

If Yes:

Briefly describe your background as a farmer and business goals. How many years have you been farming? What percent of labor do you contribute to your farm? How do you market your farm products? Do you belong to any farm or agricultural organizations? If so, please list them below. *Limit 1,500 characters.*

If No:

You do not qualify to apply as a farmer for this program. You need to apply as a Non-Farmer Applicant.

Technical Cooperator(s) involved in your Project (include name(s), type of expertise, and how each cooperator will be involved in the project.) *Limit 2,500 characters.*

Note: You must include a Cooperator commitment letter for each Technical Cooperator with your application.

Non-Farmer Applicants Only

What category of non-farmer applicant best describes you?

- Minnesota non-profit organization
- Minnesota educational institution
- Individual at a Minnesota educational institution

Farmer Cooperator(s) involved in your Project (include name(s), type of expertise, and how each cooperator will be involved in the project.) *Limit 2,500 characters.*

Note: You must include a Cooperator commitment letter for each Farmer Cooperator with your application.

Project Details

Description of the Farming Operation(s) involved.

Limit 1,500 characters.

Describe the type of farm, general location, what has been and is grown, raised, or produced by the operation, and who the agricultural products are sold to.

Describe your background experiences that will enable you to conduct this project, such as when the applicant or cooperator started farming, relevant education/coursework, etc.

Project Rationale.

Limit 3,500 characters.

What is the purpose of this project?

Why is it important?

How will this project benefit other farm businesses?

Project Design and Methods.

Limit 5,000 characters.

What are you going to do? Describe in detail how you will do your project from beginning to end. Be as specific as you can. Use a timeline and drawings or diagrams (for example: field map, crop rotation plan, building or paddock design, layout of test/demonstration plots, etc.)

Provide the name(s) and occupation(s) of the person responsible for carrying out and reporting on this project.

Name who is going to do each step of the project – list each participant’s role in the design, implementation, analysis of the results, and outreach steps.

Evaluation.

Limit 3,000 characters.

How will you document what happens? For each of the objectives you listed in the Project Outline, what information will you collect to be able determine whether your grant project “works” and whether you’d recommend it to other farmers? Be specific.

Projects do not have to work out the way you think or want them to in order to be successful. Often, it’s equally important to know what doesn’t work or what not to do so don’t be afraid to try something others might consider risky.

Outreach Plan.

Limit 2,500 characters.

How will you share what you learn so Minnesota farmers can benefit from your work? All projects must have an outreach event in the final year of the project. We encourage you to hold a field day, if possible. In your budget, you can request funds for one outreach event.

Example: Will there be newspaper or newsletter articles? Will you speak at meetings or conferences? Will you post information on your (or your cooperator/advisor’s) website?

Budget Details

Complete budget using the separate [2021 SustAg Budget Spreadsheet](#). Use realistic costs and justify each expenditure, including the purpose and the quantity.

- Analysis of Samples
- Consultants and Other Purchased Services (contractors, bookkeepers, paid consultants, technical assistance, etc.)
- Personnel (labor – family or hired. Only include labor directly related to grant activities over and above time spent on normal farm operations.) Iowa State University's [Farm Custom Rate Survey](#) is a good resource for costs.
- Supplies and Materials (seed, fuel, purchased inputs, plot markers, office supplies, etc.)
- Project Specific Equipment (maximum cost of \$1,500 per item; purchase of farm equipment and other depreciable assets will not be funded.)
- Use or Rental of Farm Equipment. Iowa State University's [Farm Custom Rate Survey](#) is also a good resource for estimating machinery rental costs if you haven't obtained quotes yet.
- Outreach Costs (field day and other costs associated with holding an outreach event and publicity.)
- Communication (telephone, postage, internet, etc.)
- Travel (base on \$0.575 cents per mile)

Matching Funds.

(If applying for more than \$25,000 in grant award funds).

List source and amount of each type of match. The only in-kind contribution allowed is the value of land set aside to conduct the grant project. You must use [average farm land rental rates](#) from the University of Minnesota Extension to determine the land value if a rate is available.

Project Expenditures.

Provide estimated grant project expenditures for each calendar year during the grant period.

Year 1, March 2021 to December 2021:

Year 2, January 2022 to December 2022:

Year 3 (if greater than a 2-year project), January 2023 to end of grant contract (approximately February 2024):

Other Sources of Funding

Have you received, applied for, or do you plan to apply for other sources of funding to support this project?

- If yes, explain. *Limit 500 characters.*

Letters of Support

Attach copies of Technical or Farmer Cooperator commitment letter(s) to the application. These letters should describe the Cooperator's expertise and his/her role in the project. If the Cooperator will be paid, the letter must include their hourly rate of pay for the type of work.

Additional Documents

(optional)

If applicable, attach additional documents that provide a visual representation of your proposed project. Examples include maps, charts, graphs, photos, etc.