

Developing Markets for Continuous Living Cover Crops-Grant Program

Fiscal Year 2024 Request for Proposals

Applications due by 4:30 p.m. on October 2, 2023

In accordance with the Americans with Disabilities Act, this information is available in alternative forms of communication upon request by calling 651-201-6000. TTY users can call the Minnesota Relay Service at 711. The MDA is an equal opportunity employer and provider.

Table of Contents

Developing Markets for Continuous Living Cover Crops- Grant Program	
Fiscal Year 2024 Request for Proposals	1
Overview	
Funding availability	
Minimum requirements	
Priorities	
Eligible Projects	
Collaboration	
Selection Criteria and Weight Financial Review Process	
Questions	
Application Content	
Application Submission	
Review Process and Timeline	
Public Data	
Ineligible expenses	7
Accountability and Reporting	7
Grant award agreement and payments	7
Grant Monitoring	
Grantee Bidding Requirements	
Project Evaluation Profile	
Application Questions	11
Applicant information	11
Authorized representative	11
Eligibility	11
Project summary	12
Project description	12
Business readiness and financial sustainability	12
Impact on Minnesota agriculture and the environment	12
Measuring outcomes	13
Project plan	13
Diversity, equity, and inclusion	14

Overview

The State Legislature provided funding to the Minnesota Department of Agriculture (MDA) for "grants to organizations in Minnesota to develop enterprises, supply chains, and markets for continuous-living cover crops and cropping systems in the early stages of commercial development." For the purposes of this proposal, "continuous-living cover crops and cropping systems" refers to agroforestry, perennial biomass, perennial forage, perennial grains, and winter-annual cereal grains and oilseeds that have market value as harvested or grazed commodities. (Minnesota Session Laws- 2023, Regular Session, Chapter 43—S.F.No 1955, Article 1, Sec.2, Subd. 2, (j))

Funding availability

The MDA anticipates awarding \$250,000 using a competitive review process by a committee representing content and community specialists with regional knowledge. We expect 5-7 grants will be awarded, but the final number depends on the size of awards. The minimum award is \$10,000 and the maximum award is \$50,000. This is a onetime appropriation. We expect to announce selected grantees in October. If selected, you may only incur eligible expenditures when the grant contract agreement is fully executed, and the grant has reached its effective date.

Minimum requirements

Applicants must meet the minimum requirements to be fully considered for this grant opportunity. Applicants must:

- Be an organization in Minnesota (including a company, government, tribe, urban American Indian Community, partnership, and any type of civil or political association of people) and authorized to do business in Minnesota.
- Focus on continuous living cover (CLC) crops and cropping systems as defined in the Grant Overview.
- Be in good standing with the State of Minnesota:
 - o No back taxes owed.
 - o No defaults on Minnesota state-backed financing for the last seven years.
 - o Acceptable performance on past MDA grants (if applicable).
 - o Compliant with current state regulations.
- Be located in Minnesota.
- Not be an employee or spouse of an employee of the MDA.

Examples of applicants:

- Organizations engaged in work related to CLC crops and cropping systems.
- For-profit businesses: companies (including LLCs and S, C, and Benefit corporations) whose primary function involves the production, processing, or marketing of CLC crops and cropping systems.
- Agricultural cooperatives: member-owned business entities that provide, offer, or sell CLC agricultural products or services for the mutual benefit of the members.
- Local government entities involved in the production, commercialization, marketing, or related activity of CLC crops and cropping systems.

- Economic development organizations and non-profit organizations involved in the production, commercialization, marketing, or related activity of CLC crops and cropping systems.
- Tribes and urban American Indian Communities involved in the production, commercialization, marketing, or related activity of CLC crops and cropping systems.

Priorities

It is the policy of the State of Minnesota to ensure fairness, precision, equity, and consistency in competitive grant awards. This includes implementing diversity and inclusion in grant-making.

<u>Policy 08-02: Rating Criteria for Competitive Grant Review (PDF)</u> establishes the expectation that grant programs intentionally identify how the grant serves diverse populations, especially populations experiencing inequities and/or disparities.

This grant program will serve Minnesota organizations. Organization is broadly defined as: "A group of people, structured in a specific way to achieve a series of shared goals. The term organization includes a company, government, tribe, urban American Indian Community, partnership, and any type of civil or political association of people. An individual is not considered an organization."

During this round of funding, this grant will prioritize:

- projects that develop enterprises, supply chains, and markets for continuous living cover crops and cropping systems in the early stage of commercial development; and
- woman-owned businesses, businesses owned by members of the Black, Indigenous, and People of Color (BIPOC) community, veteran-owned businesses, and businesses that meaningfully serve the BIPOC community or Native American Tribal communities.

Eligible Projects

Projects must:

- Aim to develop and accelerate enterprises, supply chains, and markets for CLC crops and cropping systems in the early stage of commercial development in Minnesota.
- Not start until the grant contract is signed by all parties and has reached its start date.
- Be completed by June 30, 2025
- Be conducted by an organization in Minnesota and limited to one (1) grant per organization.

Project *examples* include but are *not* limited to:

• Customized harvesting, seed cleaning and storage, processing and equipment to make food products, developing markets, and bringing these products to consumers.

Collaboration

Eligible applicants may collaborate with other value-added businesses, but it is not required.

Selection Criteria and Weight

The review committee will be reviewing each applicant on a 100-point scale. See the <u>Project Evaluation</u> <u>Profile</u> for more information.

Financial Review Process

All Non-Governmental Organizations (NGO's) applying for grants in the state of Minnesota must undergo a financial review prior to a grant award made of \$25,000 and higher.

In order to comply with <u>Policy 08-06</u>, Financial Review of Nongovernmental Organizations, applicants may be asked to submit one of the following documents:

- 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.

Questions

- All questions must be submitted by email to Jen Schaust at <u>Jen.Schaust@state.mn.us</u> by 4:30 p.m. Central Time on September 25, 2023. Include "Developing Markets for CLCs" in the subject line.
- All answers will be posted within two business days at <u>www.mda.state.mn.us/clc-rfp-questions-answers</u>
- 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.

Technical assistance with the online application system can be provided until the submission deadline by emailing Jen.Schaust@state.mn.us with " Developing Markets for CLCs " in the subject line.

Application Content

Grant applicants are required to submit proposals through our <u>online application system</u>. The application includes questions in the following categories: Applicant information, Eligibility, Project summary, Project description, Business readiness and financial sustainability, Impact on Minnesota agriculture and the environment, Measuring outcomes, and Project plan and budget. Applicants must complete all of the required questions for the application to be considered complete. You will receive an automated email when your application has been received. Please do not submit any other materials. Unrequested materials will not be reviewed.

Content guidelines

- Write for reviewers who are generally knowledgeable but may not have a thorough or deep understanding of your organization. Use plain, easily understood language.
- Answer all questions completely within the character limits specified in the grant application.
- The <u>Project Evaluation Profile</u> included in this document will be used to score and compare the grant applications.

Application Submission

Applicants must submit proposals through our <u>online application system</u> **no later than 4:30 p.m. Central Time October 2,2023.** It is best practice to submit your application at least 24 hours in advance to prevent unforeseen delays. Late applications will not be considered after the grant deadline under any circumstances. The applicant will incur all costs incurred in applying to this RFP.

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.

Review Process and Timeline

A review committee, representing content and community specialists with regional knowledge, evaluates all eligible applications based on the criteria in the Project Evaluation Profile. Reviewers may recommend whole or partial funding of a project. The Commissioner of Agriculture reviews the committee recommendations and is responsible for award decisions. *The award decisions of the MDA are final and not subject to appeal.*

RFP posted on the MDA web site Questions due no later than 4:30 pm Central Time Applications due no later than 4:30 pm Central Time Committee begins review of applications Committee recommendations submitted to commissioner for review Selected grantees announced; grant agreement negotiations begin September 11, 2023 September 25, 2023 October 2, 2023 October 4, 2023 October 9, 2023 October 16, 2023

Conflicts of Interest

State grant policy requires that steps and procedures are in place to prevent individual and organizational conflicts of interest, both in reference to applicants and reviewers per Minn. Stat.§16B.98 Subd. 2-3 and 08-01 Conflict of Interest in State Grant-Making Policy.

Organizational conflicts of interest occur when:

- a grantee or applicant is unable or potentially unable to render impartial assistance or advice to the Department 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 in question or disclosed, the applicants or grantees will be notified and actions may be pursued, including but not limited to, revising the grant work plan or grantee duties to mitigate the

risk, requesting the grant applicant to submit an organizational conflict of interest mitigation plan, disqualification from eligibility for the grant award, amending the grant, or termination of the grant contract agreement.

Public Data

Per Minn. Stat. § 13.599

- Names and addresses of grant applicants and amount requested will be public data once proposal responses are opened.
- All remaining data in proposal responses (except trade secret data as defined and classified in §<u>13.37</u>) will be public data after the evaluation process is completed. For the purposes of this grant, when all grant contract agreements have been fully executed.
- All data created or maintained by MDA as part of the evaluation process (except trade secret data as defined and classified in <u>§13.37</u>) will be public data after the evaluation process is completed. For the purposes of this grant, when all grant contract agreements have been fully executed.

Ineligible expenses

Ineligible expenses include but are not limited to:

- Fundraising
- Taxes, except sales tax on goods and services and payroll taxes
- Lobbyists, political contributions
- Bad debts, late payment fees, finance charges, or contingency funds
- Parking or traffic violations
- Out of state transportation and travel expenses. Minnesota will be considered the home state for determining whether travel is out of state.

Accountability and Reporting

Follow-up surveys help the MDA determine the long-term impacts of the grant. Grantees must respond to requests for follow-up information for three years beyond the term of the grant agreement. Failure to respond to these promptly may affect a grantee's ability to secure future funding with the MDA.

Grant award agreement and payments

Grant contract agreement templates are available for review at: Office of Grants Management Policies, Statutes, and Forms/Forms and FAQs tab

Upon approval of an application and before working on the grant project and receiving reimbursements, the applicant must:

- 1. Complete an IRS W-9 form or register as a vendor in SWIFT, the state's account system, or confirm that the information in SWIFT is correct
- 2. Submit other required documentation within 30 days of award notification.
- 3. If a non-profit organization receiving an award over \$25,000, submit documentation to meet the pre-award financial review requirements.
- 4. Sign a grant contract agreement showing their intention to complete the proposed tasks. The agreement also authorizes the MDA to monitor the progress of the projects. This agreement must be signed within 30 days of being sent to the grantee.

Per <u>Policy 08-08</u> reimbursement is the preferred method for making grant payments. All grantee requests for reimbursement must correspond to the approved grant budget. To receive grant payments, grantees must provide proof that grant project work has been done by submitting details of each purchase on receipts or invoices, and proof that the vendors have been paid. Biannual progress reports are required to be submitted during the duration of the project. The State shall review each request for reimbursement against the approved grant budget, grant expenditures to-date and the latest grant progress report before approving payment. Grant payments shall not be made on grants with past due progress reports unless the MDA has given the grantee a written extension.

Grant Monitoring

Minn. Stat. §16B.97 and Policy 08-10 Grant Monitoring require the following:

- One monitoring visit during the grant period on all state grants of \$50,000 and higher
- Annual monitoring visits during the grant period on all grants of \$250,000 and higher
- Conducting a financial reconciliation of grantee's expenditures at least once during the grant period on grants of \$50,000 and higher. For this purpose, the grantee must make expense receipts, employee timesheets, invoices, and any other supporting documents available upon request by the State.

Grantee Bidding Requirements

[For Nongovernmental organizations]

Any grant-funded services and/or materials that are expected to cost:

- \$100,000 or more must undergo a formal notice and bidding process.
- Between \$25,000 and \$99,999 must be competitively awarded based on a minimum of three (3) verbal quotes or bids.
- Between \$10,000 and \$24,999 must be competitively awarded based on a minimum of two (2) verbal quotes or bids or awarded to a targeted vendor.

For grant-funded projects that include construction work of \$25,000 or more, prevailing wage rules apply per; <u>Minn.</u> <u>Stat. §§177.41</u> through <u>177.44</u>. These rules require that the wages of laborers and workers should be comparable to wages paid for similar work in the community as a whole.

The grantee must take all necessary affirmative steps to assure that targeted vendors from businesses with active certifications through these entities are used when possible:

- <u>State Department of Administration's Certified Targeted Group, Economically Disadvantaged and</u> <u>Veteran-Owned Vendor List</u>
- Metropolitan Council's Targeted Vendor list: <u>Minnesota Unified Certification Program</u>
- Small Business Certification Program through Hennepin County, Ramsey County, and City of St. Paul: <u>Central Certification Program</u>

The grantee must maintain:

- Written standards of conduct covering conflicts of interest and governing the actions of its employees engaged in the selection, award and administration of contracts.
- Support documentation of the purchasing and/or bidding process utilized to contract services in their financial records, including support documentation justifying a single/sole source bid, if applicable.

The grantee must not contract with vendors who are suspended or debarred in MN: <u>Suspended/Debarred Vendor</u> <u>Information</u>

[For Municipalities]

Grantees that are municipalities must follow:

- The contracting and bidding requirements in the Uniform Municipal Contracting Law as defined in <u>Minn.</u> <u>Stat.§471.345</u>
- The requirements of prevailing wage for grant-funded projects that include construction work of \$25,000 or more, per Minn. Stat. <u>§§177.41</u> through <u>177.44</u> These rules require that the wages of laborers and workers should be comparable to wages paid for similar work in the community as a whole.

The grantee must not contract with vendors who are suspended or debarred in MN: <u>Suspended/Debarred Vendor</u> <u>Information</u>

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 Commissioner of Administration, the state 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 contract 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 for all Grantees:

- A. 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. <u>Minn. Stat. §363A.02</u>. The grantee agrees to take affirmative steps to employ, advance in employment, upgrade, train, and recruit minority persons, women, and persons with disabilities.
- B. 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 <u>5000.3500</u>
- C. 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 <u>Minn. Stat. §201.162</u> by providing voter registration services for its employees and for the public served by the grantee.

Project Evaluation Profile

Evaluation Criteria	Maximum Score				
Project Addresses Goals of the Grant					
• Applicant clearly and compellingly describes how the project contributes to commercialization,	15				
supply chain and /or market development of CLC crops and cropping systems in Minnesota					
Drganization Readiness, Financial Sustainability, and Experience					
• Applicant describes how this grant project relates to their organizational business plan and mission,					
including current work on CLC crops and cropping systems					
Applicant demonstrates sound business management, financial aptitude, and stability					
mpact on Minnesota Agriculture and the Environment					
• Plan to increase supply chains, markets and or sales of CLC crops and cropping systems is					
achievable	30				
• Expected amount of Minnesota agricultural products to be increased is realistic					
 Meaningfully adds resiliency in the supply chain or market 					
• Project has the potential to drive and scale up the demand for growing perennial and winter annua	I				
crops on agricultural lands in Minnesota					
Clear environmental benefit statement provided for the project					
Measurable Objectives					
Objectives of project are measurable and clearly stated	10				
 Describes how the project will achieve objectives of the grant program and benefit the organization 	10				
Nork Plan and Timeline					
Work plan is thorough and realistic					
 A description of each step of the grant project is provided with estimated dates 	10				
Budget					
Budget clearly details all project costs					
• Budget is cost effective and planned purchases are backed by quotes or other sources	10				
Priority Areas (Diversity, equity, and inclusion)					
• Applicant's operation is a woman-owned business, a business owned by a member of					
the Black, Indigenous, and People of Color (BIPOC) community, a veteran-owned business, or the applicant meaningfully serves BIPOC or Native American Tribal communities					
	10				
	1				

Application Questions

Applicant information

- Applicant Name
- Organization Name
- Organization Mailing Address
- Organization County
- Organization Telephone
- Organization Email
- Minnesota State House District (Find your district at <u>Who Represents Me?</u> (www.leg.state.mn.us/leg/districtfinder).

Authorized representative

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

- Name
- Telephone
- Email

Eligibility

Confirm that the following statements apply to your organization and answer.

- My organization is in good standing with the State of Minnesota. (No back taxes owed, no defaults on Minnesota state-backed financing for the past seven years, in compliance with current state regulations, and acceptable performance on past MDA grants.) (Yes/No)
- My organization is in Minnesota and authorized to conduct business in Minnesota. (Yes/No)
- The principals of the applicant are not employees of the MDA nor are their spouses. (Yes/No)

Has work started on your proposed project or will work start before the grant contract agreement is signed by all parties? The MDA is unable to reimburse for any work that is performed prior to the start date of the contract. (Yes/No)

Project summary

Grant request

- Project Name
- Total Project Cost
- Total Grant Request. Maximum of \$50,000, minimum \$10,000.
- Expected Project Start Date
 - 0 Must be after the contract is signed by you and the State of Minnesota.
 - 0 Award notification is in early October, and contracts should be signed in October 2023.
- Expected Project End Date
 - 0 Contracts must end June 30, 2025.
 - You will have up to one month (30 days) after your contract end date to submit for a reimbursement.
 - 0 All items and services must be paid for by the end date of the contract.

Please note: Length of question responses to the questions below is limited to a certain number of characters. For example, the "Background and Program Goals" paragraph on page 10 of this RFP is 807 characters.

Project description

Provide a brief description of your project outlining project objectives, what you plan to purchase and why. Try to limit your description to three sentences. (500 characters, including spaces)

Business readiness and financial sustainability

Business summary

Provide a summary of your organization (2,000 characters, including spaces). The summary should stand alone to describe work related to continuous living cover crops and cropping systems:

- The mission and goals of your organization
- The services and products provided by your organization
- The ownership and leadership of your organization

Organization plan summary

Provide a summary of your business plan. (2,000 characters, including spaces).

- What previous investments or commitment to CLCs have your organization made?
- How is your business looking to grow or remain competitive?

Impact on Minnesota agriculture and the environment

Current CLC crops or cropping systems

Does your organization currently work with CLC crops and cropping systems? (Yes/No)

Scale of CLC crops and cropping systems

How will the scale of CLC crops and cropping systems your organization works on change because of this grant project (by crop or system)? Please provide a before and after estimate. (2,000 characters, including spaces)

Example: In 2022, we were able to XXXXXX. After we complete the grant project in June 2025, we estimate we can do XXX.

Supply chain and market development

Briefly describe who you collaborate with and/or sell products to. Estimate the number of market partners and outlets used by your organization between January 1, 2022, and December 31, 2022. Examples of market outlets include wholesale distributors, direct-to-consumer channels, retail stores, and farmers markets. *(2,000 characters, including spaces)*

Market expansion and diversification

Describe how this project plans to diversify and expand access to markets or supply chains in Minnesota. (2,000 characters, including spaces)

- Describe how the project plans to diversify markets and/or increase market access.
- If you expect to increase the number and/or types of market outlets from this project, estimate the increase(s) and explain how the project will achieve these goals.

Example: In 2021 we sold to 10 schools and with the grant we expect to be able to sell to 20 schools across the Twin Cities metro area.

Increasing sales

Describe how this project plans to increase the sales of agricultural products from CLC crops or cropping systems in Minnesota. (1,000 characters, including spaces)

Sources of Minnesota agricultural products

Where do you plan to source your agricultural products from? This grant will prioritize Minnesota grown CLC crops and CLC cropping systems. List your current or anticipated sources of Minnesota agricultural products (1,000 characters, including spaces)

Examples: Vista Acres Vineyards, New Ulm, MN (2021 - \$50,000 grapes); Happy Plants Inc., Thief River Falls, MN (2021 - \$3,000 hops and \$15,000 barley); Big Harvest Cooperative, Chaska, MN (2021 - \$10,000 corn)

Impact on Minnesota's environment

Briefly describe the environmental benefit of your project and how your project will protect, conserve, preserve, and enhance Minnesota's air, water, land, fish, wildlife, or other natural resources? (1,000 characters, including spaces)

Measuring outcomes

Describe how your organization plans to measure the outcomes of your project including impact on your organization, increased sales or market and or supply chain outlets for agricultural products from CLC crops and cropping systems, and environmental outcomes. (1,000 characters, including spaces)

Project plan

Work plan and timeline

Create a workplan and timeline using the example format below. You should include the steps that you will take to successfully complete your project. For example, you might include target dates for requesting quotes, installing

and testing equipment, and full launch of the equipment or product.

Timeframe	Description of Task/Action Item	Responsible Party
Ex: January 2024	Request bidsfor g r a i n processing equipment	Project director
Ex: January 2024	Sign contract with Improved Grain Processors	CEO

Budget

Create a budget using the example format below. If specific contractors are named in the application, grantees will not need to undergo a formal bidding process¹ as long as you use these contractors for your project. This can save you time and effort later.

Please use these descriptors for "Item category": Contracted Services, Salary, Supplies, Travel costs, Education/Training, or Equipment.

Please use the following fiscal quarters for the "Expected time of expense": Oct-Dec 2023, Jan-Mar 2024, Apr-Jun 2024, Jul-Sep 2024, Oct-Dec 2024, Jan-Mar 2025, Apr-Jun 2025.

Expected time of expense (Fiscal quarter)	Item	Item category (see list of categories above)	Quantity	Cost Per Unit	Total Estimate	Source of Estimate
Oct-Dec 2023	Ex: Hammer Mill	Equipment	1	\$15,000	\$15,000	Improved Grain Processors
Oct-Dec 2023	Ex: Contractor Hours	Contracted Services	50	\$100	\$5,000	Minnesota Grain Growers

Budget narrative

Justify your budget and explain how you plan to spend funding for your project. (2,000 characters, including spaces)

- Explain how the equipment and services in the budget table will help you develop and accelerate commercialization, supply chains and markets for agricultural products from CLC crops and cropping systems into value-added products or diversify/expand your market outlets.
- Briefly explain if you will leverage other funding sources (financing, other grants, private investment, personal investment, or organization funds, etc.) related to this project.
 (Note: Match funding is *not* required)

¹Grant Bidding Requirements (<u>Office of Grants Management</u>, Department of Administration) [For nongovernmental organizations]

Any grant-funded services and /or materials that are expected to cost:

- \$100,000 or more must undergo a formal notice and bidding process.
- Between \$25,000 and \$99,999 must be competitively awarded based on a minimum or three (3) verbal quotes or bids.
- Between \$10,000 and \$24,999 must be competitively awarded based on a minimum of two (2) verbal quote or bids or awarded to a targeted vendor.

Diversity, equity, and inclusion

This grant program prioritizes historically underserved communities, including woman-owned businesses, businesses owned by members of the Black, Indigenous, and People of Color (BIPOC) community, veteran-owned businesses, and businesses that meaningfully serve BIPOC or Native American Tribal communities.

Is your business owned and operated by these stakeholders? Please explain how these priorities are reflected in your organization, if at all. (2,000 characters, including spaces)