



# **Resilient Food Systems Infrastructure Grant**

## **Federal Assistance Listing Number: 10.190**

### **Fiscal Year 2024 Request for Proposals (RFP)**

Revised 2/2/2024

**Applications due by 4 p.m. Central Time (CT) on April 3, 2024**

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.

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# Grant Summary

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## Overview

The Minnesota Department of Agriculture (MDA) has entered into a cooperative agreement with the United States Department of Agriculture (USDA) Agricultural Marketing Service (AMS) for the Resilient Food Systems Infrastructure (RFSI) program. As part of this program, the MDA is working in partnership with the USDA to make competitive subawards to strengthen the middle of the food supply chain and make Minnesota more resilient to future supply chain disruptions in the food system. The MDA will also use a limited portion of the funds from the cooperative agreement to develop and strengthen supply chain coordination and to provide targeted market development services for local and regional food products.

The MDA is now accepting Infrastructure Grant applications for the RFSI program. Grant funds are available for agricultural producers, businesses, and organizations operating in the middle of the food supply chain in Minnesota. The funding is intended to invest in infrastructure for aggregation, processing, manufacturing, storing, transporting, wholesaling, and distribution of locally and regionally produced food intended for human consumption, including specialty crops, dairy, grains for human consumption, aquaculture, and other food products (except meat and poultry, which are funded through other USDA programs).

## Funding availability

We expect to award approximately \$9.6 million using a competitive review process.

The smallest award will be \$100,000 and the largest will be \$3 million. Although you may request up to \$3 million, you should expect that very few, if any, applicants will receive the largest award amount. We expect to award between 25 and 40 grants, but the final number of grants will depend on the size of each grant award. If enough funding is available after the completion of this round, we will offer a separate equipment-only grant round in early 2025. In the Equipment-Only round, grant awards will be capped at \$100,000 with the same matching requirements as this round of Infrastructure Grants.

## 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.

[Policy 08-02: Rating Criteria for Competitive Grant Review \(PDF\)](#) sets up the expectation that grant programs intentionally show how the grant serves diverse populations, especially populations experiencing inequities or disparities.

This grant program will prioritize:

- [Historically Underserved Farmers and Ranchers](#) as defined by the USDA, including Beginning; Socially Disadvantaged; Veterans; and Limited Resource
- Small and underserved business owners and other businesses that qualify under the [Small Business Administration \(SBA\) categories](#) of small disadvantaged business, women-owned small business, and veteran-owned small business
- Projects that involve Minnesota-produced dairy, annual and perennial grains, fruits and vegetables, dry beans, or aquaculture

This program will also focus on projects that:

- Offer family-supporting job quality and safe treatment of workers.
- Focus on small and medium-sized enterprises that add options and choices for consumers and producers, with an emphasis on value-added products.
- Demonstrate local support for the project.
- Support and benefit underserved communities.
- Are submitted by cooperatives or farmer-owned/worker-owned enterprises.

## Timeline and deadlines

January 31, 2024, 4 p.m. CT....Application period begins.

March 26, 2024, 4 p.m. CT.....Deadline to ask grant program questions.

April 3, 2024, 4 p.m. CT.....Applications due.

April to May 2024.....MDA application review.

May to July 2024.....Final application review conducted by USDA.

Summer 2024.....Applicants notified of decisions; grant contract agreement negotiations begin.

Summer to Fall 2024.....Anticipated project start date (after grant contract agreement is signed).

March 31, 2027.....Latest possible project end date.

## How to apply

Note: Each organization may only submit one application for consideration.

- If your organization does not have a federal Unique Entity ID (UEI), start by [requesting one online](#) through the System for Award Management (SAM.gov). Because RFSI Grants are federal subawards, you don't have to complete a full registration for your entity—you only need to request a UEI.
  - The Unique Entity ID is a 12-character, alphanumeric value. It is different than your social security number or employer identification number (EIN).
  - This [video](#) has step-by-step instructions for requesting a UEI. Contact us if you need help.
  - We recommend doing this early in your application process.
  - Requesting and getting a Unique Entity ID is free.
- Apply for the RFSI Infrastructure Grant using our [online application system](#).
  - If you're a new user, you need to create an account first.
  - Once you're logged in, select RFSI Infrastructure Grant.
- Applications are due by **4 p.m. CT on Wednesday, April 3, 2024**.
  - We will not accept late applications.
  - Apply early so that there is enough time to get help with the online application system if you need it. It's best practice to submit your application at least 24 hours in advance.
  - We are not responsible for any technical or logistical problems that result in a late submission. It is your responsibility to ensure that we receive your application before the deadline.

## Application questions and technical assistance

For questions on the grant program or application:

- Email your question to [RFSI.MDA@state.mn.us](mailto:RFSI.MDA@state.mn.us) before **4 p.m. CT on March 26, 2024**.
- Answers will be posted on the [RFSI Question and Answer \(Q&A\) webpage](#).
- Check our website for information about upcoming webinars about the program and application process.

Note: MDA employees are not authorized to give advice on any applications. Applicants who solicit or receive advice from unauthorized MDA employees may be disqualified from eligibility for a grant award.

For help with the online application system:

- Call 651-201-6500 or email [RFSI.MDA@state.mn.us](mailto:RFSI.MDA@state.mn.us).

For help developing your project, consultation on the application process, and ongoing technical assistance related to the RFSI program:

- Regularly check our [RFSI webpage](#) for updated information about technical assistance for the RFSI program.

### Tips for applicants

- Do not wait until the last minute to write, compile, review, and submit your proposal.
- As much as possible, use plain, easy-to-understand language. Write for reviewers who have general knowledge but may not have a deep understanding of your specific industry, organization, or project.
- Include just one to three clear objectives rather than trying to accomplish too much. Simple projects with only a few clear objectives tend to work better.
- Make sure your budget is realistic and includes only eligible items. Include a detailed budget that clearly explains how the money will be spent. More detail is better than less.
- Answer all questions completely within the character limits specified in the grant application.
- Review the online application as well as the [Project Evaluation Profile](#) included in this document as it is used to score and compare the grant applications.

# Grant Eligibility

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## Federal program regulations

Throughout the RFP, we will be referring to the following federal rules and guidelines:

- [2 Code of Federal Regulations \(CFR\)](#)
- [USDA AMS General Terms and Conditions \(PDF\)](#)
- [RFSI Program Specific Terms and Conditions \(PDF\)](#)
- [RFSI Program Scope and Requirements \(PDF\)](#)

These are the federal rules for grant programs, listed from most broad to most specific to the RFSI program. We will help grantees understand and follow these regulations, but you are also responsible for understanding and following the regulations that apply to your project and organization.

## Eligible applicants

Applicants must:

- Be operating middle-of-the-supply-chain activities, which includes aggregation, processing, manufacturing, storing, transporting, wholesaling, and distribution of food meant for human consumption (but not meat or poultry).
- Be in good standing with the State of Minnesota:
  - No back taxes owed.
  - No defaults on Minnesota state-backed financing for the last seven years.
  - Acceptable performance on past MDA grants.
  - Compliant with current state and federal regulations.
  - No principals of the applicant organization or others involved in this project have been convicted of a felony financial crime such as theft, embezzlement, and forgery in the last 10 years.
- Have a federal Unique Entity ID (UEI).

Applicants should also review the [Conflicts of interest](#) section prior to applying. The selected grantee must agree to these rules as a part of signing their grant contract agreement.

Entities eligible to apply are:

- **Agricultural producers or processors, or groups of agricultural producers and processors (including cooperatives or associations).**
- **For-profit entities** operating middle-of-the-supply-chain activities, whose activities are primarily focused for the benefit of local and regional producers.
- **Nonprofit organizations** operating middle-of-the-supply-chain activities.
- **Local and tribal government entities** operating middle-of-the-supply-chain activities.
- **Institutions such as schools, universities, or hospitals** bringing producers together to establish cooperative or shared infrastructure or invest in equipment that will benefit multiple producers' middle-of-the-supply-chain activities.

All for-profit entities must qualify as small businesses based on [SBA Size Standards](#).

## Collaboration

Eligible applicants may partner or collaborate with other businesses or organizations, but it's not required. If you are submitting a joint application, you must determine which business or organization will have the grant contract agreement with the MDA and will work directly with the MDA to meet grant reporting requirements. Note that this organization will receive a 1099 from the State of Minnesota for income tax purposes.

The roles of any partners or collaborators on your project should be described in the [external project support and community impact](#) section of the application.

- **Project partners** are people or organizations with a close cooperative relationship where each party has specified and joint rights and responsibilities in the management of the project. Projects involving additional project partners who are involved in management of the project may be required to follow additional federal regulations and reporting requirements.
- **Collaborators** are people or organizations that cooperate with the applicant on the project, but are not involved in or responsible for management of the project.

Any project partners or collaborators involved in your project must understand their role and be willing to participate and commit adequate time to your project.

## Eligible projects

Projects must:

- Expand capacity for the aggregation, processing, manufacturing, storing, transporting, wholesaling, or distribution of locally and regionally produced food products.
- Only involve food products meant for human consumption. Meat and poultry are not eligible.
- Be distinct from your general operations. Projects have a distinct, specified, and defined goal; follow a planned, organized approach with a series of defined activities or tasks; and have a limited duration with a definitive beginning and end.
- Be conducted in Minnesota.
- Not start until the grant contract is signed by all parties and has reached its start date.
- Be completed by March 31, 2027.

Project examples include but are not limited to:

- Expanding processing capacities, including adding product types, increasing production volumes, and supporting new wholesale or retail product lines.
- Modernizing equipment or facilities through upgrades, repairs, or retooling (e.g., adapting product lines for institutional procurement or adding parallel processing capacity).
- Purchasing and installing specialized equipment, such as processing components, sorting equipment, packing and labeling equipment, or delivery vehicles.
- Modernizing manufacturing, tracking, storage, and information technology systems.
- Enhancing worker safety through adoption of new technologies or investment in equipment or facility improvements.
- Constructing a new facility.
- Increasing packaging and labeling capacities that meet compliance requirements under applicable laws (e.g., sealing, bagging, boxing, labeling, conveying, and product moving equipment).
- Increasing storage space, including cold storage.
- Developing, customizing, or installing climate-smart equipment that reduces greenhouse gas emissions, increases efficiency in water use, improves air and/or water quality, and/or meets one or more of USDA's climate action goals.
- Modernizing equipment or facilities to ensure food safety, including associated Hazard, Analysis, and Critical Control Points (HACCP) consultation, plan development, and employee training.
- Training on the use of equipment bought under the grant and associated new processes.

Eligible activities or tasks that could be a part of such projects may include but are not limited to:

- Hiring term-limited personnel to assist with project implementation activities (for example, hiring a temporary construction member or part-time staff to help improve food safety in your facility).
- Purchasing special purpose equipment, defined in section 8.2 of the USDA AMS General Terms and Conditions. This includes the purchase of special purpose equipment for institutions or others that will benefit multiple producers through middle-of-the-supply-chain activities such as processing, aggregation, or distribution of targeted agricultural product.
- Analyzing potential facility upgrades and changes that meet regulatory requirements, obtaining design and/or architecture services, etc. (to the extent these costs are directly related to the project).
- Planning HACCP or other food safety or worker safety measures or equipment recommendations.
- Upgrading or constructing facilities for processing specific agricultural products, such as:
  - On-farm post-harvest processing, preservation, and storage
  - Post-harvest cleaning and grading
  - Aggregator warehouse and storage, including cooperatives
  - Purchase of freezing equipment, freezer, or cold storage
  - Processing, canning, preserving, and pasteurization
  - Preparation and packing
  - Drying, hulling, shelling, and milling
  - Cooking, baking, juicing, distilling, and fermenting



## Eligible expenses

The categories of generally allowable expenses include:

- Personnel and fringe costs
- Travel
- Equipment (rental or purchase, with exceptions)
- Supplies
- Construction
- Contractual costs
- Other costs (such as rental costs or costs associated with project evaluation)
- Indirect costs

Within each of the expense categories, there are exceptions and limitations to what is an allowable or unallowable cost. Regardless of the category, all costs must be reasonable, necessary, justifiable, and directly tied to your project (except for your indirect cost rate). Further guidance on eligible costs within each category is included in the [Application Questions](#) section of the RFP, and we encourage applicants to review Section 8.0 of the USDA AMS General Terms and Conditions and the RFSI Program Specific Terms and Conditions when determining if a specific cost may or may not be eligible.

## Indirect costs

Indirect costs are costs that cannot be readily identified with an individual project, program, or organizational activity. They generally include facilities operation and maintenance costs, depreciation, and administrative expenses. If your organization has a federal NICRA (Negotiated Indirect Cost Rate Agreement), you should use the indirect rate specified in the agreement, and a copy of the NICRA must be submitted with the application. Otherwise, applicants may opt to charge up to 10% of modified total direct costs (MTDC) (often referred to as the *de minimis* rate). The MTDC are defined in [2 CFR 200.1](#) as all direct salaries and wages, applicable fringe benefits, materials and supplies, services, and travel. The MTDC exclude equipment, capital expenditures, rental costs, participant support costs, among other costs. See Section 8.1 of the USDA AMS General Terms and Conditions for further guidance.

## Ineligible expenses

Ineligible expenses include, but are not limited to:

- Costs incurred prior to the start date on the executed grant contract agreement, or those incurred after the expiration of the grant contract agreement (no later than March 31, 2027).
- Costs associated with preparing the application.
- Expenses that have been or will be reimbursed under any federal, state, or local government funding. Projects which have already received funding from another federal grant or subaward programs may not receive funding for the same activities and expenses (i.e., no “double-dipping”). However, RFSI grant funds may be used to build on the successes of prior funding to fund subsequent activities.
- Investments in agricultural production, including farm equipment, tools, supplies, inputs, and labor (i.e., activities before the middle-of-the-supply-chain).
- Investments in marketing, retailing, serving, or otherwise supplying food directly to consumers (i.e., activities after the middle-of-the-food-supply-chain).
- Projects involving plants, such as Cannabis sativa, that are federally controlled as illegal drug plants.
- Projects involving ineligible agricultural products such as meat, poultry, wild-caught seafood, feed or forage products used exclusively for animals, fiber, landscaping products, tobacco, or dietary supplements.
- Purchase of land or existing buildings/facilities.
- Purchase of general-purpose equipment (equipment not limited to technical activities). Some examples of general-purpose equipment include general-use motor vehicles, office furniture, and printers. Lease-to-own and rent-to-own agreements are also not allowable.
- Day-to-day, general operation costs (expenses of doing business that are not readily connected to the project) above and beyond the indirect costs included in your project budget.
- Costs for research and development; marketing of products, services, or organizations; public relations; fundraising; political contributions and lobbyists, including costs of membership in organizations substantially engaged in lobbying; or supporting or opposing union organizing.
- Fines, penalties, and other settlement expenses resulting from failure of the applicant to follow federal, state, local, or tribal laws and regulations.
- Compensation for injuries or damage to property arising from project activities.
- Entertainment, amusement, diversion, social activities, gifts, or any costs directly associated with such purchases (such as tickets to shows or sports events, alcohol, or meals—unless otherwise approved).
- Taxes, except sales tax on goods and services and payroll taxes.
- Bad debts, late payment fees, finance charges, or contingency funds.
- Unallowable costs listed under Section 8.0 of the USDA AMS General Terms and Conditions and within the RFSI Program Specific Terms and Conditions.

The MDA offers many other grant, loan, and funding opportunities to support and strengthen Minnesota agriculture. Some activities that are ineligible for RFSI funding may be eligible under our other programs. Review our [Funding webpage](#) for a list of all programs.

## Matching funds

You must provide a match to receive the RFSI Infrastructure Grant. Match is the part of your project costs that are not paid by the grant funds that the applicant or a third-party contributes to the project. Match can be in the form of cash, in-kind contributions, or both.

- The total project cost = grant award + grantee match.
- The default match requirement is 50% of the total project cost.
- The match requirement is reduced to 25% of total project cost for the following applicants:
  - Historically underserved farmers and ranchers (as defined by the USDA, including Beginning; Socially Disadvantaged; Veterans; and Limited Resource)
  - [Small disadvantaged businesses](#) (51% or more owned and controlled by one or more [socially disadvantaged](#) persons)
  - [Women-owned businesses](#) (51% or more owned and controlled by one or more women)
  - [Veteran-owned businesses](#) (51% or more owned and controlled by one or more military veterans)

Applicants that are not farmers, ranchers, or for-profit businesses may qualify for reduced match based on the composition of their governing body. For example, a nonprofit may qualify for reduced match under the women-owned business category if 51% or more of their voting board members are women.

To receive the 25% reduced match, the applicant must self-certify that they are eligible for the reduced match. The main applicant, not a third party providing the match or a partner/collaborator on the project, must qualify for reduced match to claim reduced match.

Example: A dairy processor proposes a project that will cost \$300,000 total. At the default match rate of 50%, they will receive a \$150,000 grant award and they need to provide a \$150,000 match. If they qualify for the reduced match of 25%, they will receive a \$225,000 grant award and they need to provide a \$75,000 match.

### Example \$300,000 project showing the two options for the required match:

Match requirement	Total project cost	Grant award	Grantee match
50% (default)	\$300,000	\$150,000	\$150,000
25% (reduced)	\$300,000	\$225,000	\$75,000

No additional priority is given to applications that include matching contributions above the required amount. Even if you plan to spend more than the required matching amount for your project (i.e., “overmatching”), we recommend you only include the required matching amount for the application budget. If you voluntarily provide a matching amount above the program’s requirement in your application, the total becomes a binding requirement of the federal award (outlined in 2 CFR 200.1).

All matching contributions, whether cash or in-kind, must be committed or secured at the time an applicant is recommended for an award. To be eligible, matching contributions must comply with the requirements of [2 CFR 200.306](#), not be committed as a match to any other grant, and be used for eligible and approved project expenses during the project period. For example, ineligible expenses, such as the purchase of land, cannot be used as a matching contribution.

When applying, you must include the specific amount of match you are providing and describe how it will be used in each section of your [project budget](#).

## Cash match

Sources of cash matching funds for the project may include cash, loans, other non-federal grants, and liquid capital assets dedicated to the project.

Federal funds from any source cannot be used as your match. Funds from other state or local grants may be used as a matching contribution, so long as those funds do not originate from a federal pass-through grant and are not committed to another grant as matching funds.

## In-kind match

In-kind contributions are defined as the value of goods or services provided for the benefit of the grant project, where no funds transferred hands. Typically, in-kind contributions are in the form of the value of direct personnel, goods, and services, and/or indirect costs. If you provide in-kind match, you will be required to track, document, and verify your in-kind contributions in a similar format as a cash match as part of your reporting and reimbursement requests. The MDA reserves the right to impose additional tracking and documentation procedures for in-kind contributions to ensure the accuracy of your in-kind match to the project.

## Using personnel/fringe costs as match

The cost for personnel/fringe may be used as a match if it is paid for with non-federal funds, but only for the percentage of time the person is working on the project. For example, if one of your employees is only spending 10% of their time working on the project, then only 10% of that person's salary, wages, and fringe may be counted as cash match to the project. If the person is not actually paid for their time working on the project, but instead is donating/volunteering their time, the value of their time must be counted as an in-kind contribution. Also, you must ensure that what you propose to pay that individual or the value of their volunteered time is reasonable according to standard personnel rates for similar positions in your project's area. A single individual may both request grant funds and match time to your grant project. For example, your project manager's salary could be 50% grant funds and 50% matching funds if they are spending 100% of their time on your project.

## Using indirect costs as match

Indirect costs may be applied as a matching contribution toward a grant if you choose not to request these funds from the grant. It is allowable to request funding for some indirect costs and use the difference between the amount charged to the grant award and the remaining amount that could have been charged to the grant award as your match. For example, if you choose to charge the default 10% rate for indirect (the *de minimis* rate), you may request 5% as grant funds and include the remaining 5% as matching funds.

## Match verification letter

Your match can be provided by the applicant, project partners, or both. You must submit one match verification letter signed by each individual or organization providing in-kind or cash matching contributions for your project. A template which must be used for match verification letters is provided in [Appendix B](#) or on the RFSI webpage.

# Application Review Policies

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## Review process

A review committee, made up of MDA staff and external reviewers, will evaluate 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 makes the award decisions. Both the review committee and commissioner may consider geographic distribution, services to prioritized populations, applicant's history as a state grantee, and capacity to perform the work. MDA staff will also complete an administrative review to ensure that all aspects of a proposal follow program rules and regulations.

After the MDA's review process is complete and recommendations have been approved by the commissioner of agriculture, the recommended proposals will then be provided to USDA for a final review. USDA will have the final decision-making authority on which proposals are funded. If the USDA has questions regarding specific proposals that cannot be answered by MDA staff, we will reach out to the applicant to get the answer. In some cases, the USDA may ultimately decide not to fund a proposal during this final review.

The MDA will notify applicants, both successful and unsuccessful, in writing. Applicants may request a summary of the MDA review committee's comments.

## 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 ([MINN. STAT.16B.98](#) and [Conflict of Interest Policy for State Grant-Making, 2022 \(Word\)](#)).

Organizational conflicts of interest occur when:

- A grantee or applicant is unable or potentially unable to give 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 applicant or grantee 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 contract agreement.

## 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 this 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 of 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 to those authorized by law, including but not necessarily limited to MDA staff and contractors with a valid work assignment to access the data, parties authorized by the applicant, parties identified in a valid court order or federal subpoena, 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 Attorney General.

Per Minnesota's statute on grants ([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 for data otherwise classified by law, including trade secret information, see below) becomes 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 the MDA as part of the evaluation process (except trade secret information, see below) will generally be public data after the evaluation process is completed.

Procedure for claiming protection of trade secrets:

- Trade secret information is classified as not public data. In order to qualify as trade secret information, the data in question must be provided to the MDA by the affected person (i.e. the data must be about the applicant) and otherwise meet the legal definition found in statute ([MINN. STAT. 13.37, subd. 1\(b\)](#)). In order for an applicant to assert trade secret protection for data submitted as part of this application: the applicant must: 1) clearly identify the specific formula, pattern, compilation, program, device, method, technique or process that the applicant believes to be trade secret information; 2) describe what efforts the applicant takes to maintain the secrecy of the data; and 3) adequately explain how the data derive(s) independent economic value from not being generally known to, and not readily ascertainable by proper means by, other persons. Merely asserting trade secret protection does not, in and of itself, classify the data in question as not public; determining what data meet the definition of trade secret information is ultimately the legal responsibility of the MDA, and the MDA cannot guarantee that data identified as trade secret information by an applicant will be classified as such. If the MDA determines that data do not meet the definition of trade secret information, the data in question will be available to the public unless the applicant secures a court order saying otherwise.

All persons, businesses, and individuals applying for grants in the state of Minnesota must comply with applicable laws. Under the law titled Right of Setoff ([MINN STAT 270C.65, subd. 3](#)), a grantee consents to disclosure of its social security number, federal employer tax identification number, and/or Minnesota tax identification number, already provided to the State, to federal and state tax agencies, and to state personnel involved in the payment of state obligations. These identification numbers may be used in the enforcement of federal and state tax laws which could result in action requiring a grantee to file state tax returns and pay delinquent state tax liabilities, if any.

# Requirements for Grant Recipients

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## General compliance

Grantees must comply with all applicable federal and state laws and regulations, the most recent version of the USDA AMS General Terms and Conditions, and [2 CFR part 200](#) and [2 CFR part 400](#).

## Pre-award risk assessment

During the 2023 legislative session, the Minnesota Legislature adopted new grant administration provisions (Laws of Minnesota 2023, chapter 62, article 7, section 11). The MDA reserves the right to adjust these pre-award financial review requirements as implementation details are being determined.

If the MDA determines that the awardee has substantial financial risks that inhibit its ability to perform the required duties under the grant contract agreement, then the MDA may either request more information for the purpose of satisfying the concerns, develop a risk mitigation plan to protect the interests of the state, or not award the grant.

Applicants will be required to comply with [Policy 08-06: Policy on Pre-Award Risk Assessment for Potential Grantees \(PDF\)](#), and will be asked to submit documents relevant to their entity.

As part of the pre-award review, if a grantee expends more than \$750,000 per year in federal funds, the organization's single audit will be reviewed from the [Federal Audit Clearinghouse](#).

## Nonprofit organizations

All nonprofit organizations applying for grants in the state of Minnesota must undergo a financial review prior to receiving a grant award of \$50,000 and higher.

To comply with Policy 08-06, applicants may be asked to submit the following documents:

- A copy of the non-profit's most recent Form 990 or Form 990-EZ with the Internal Revenue Service. If the non-profit has not been in existence long enough or is not required to file Form 990 or Form 990-EZ, then they must submit the following information:
  - Proof of its tax-exempt status
  - Most recent board-reviewed financial statements
  - Documentation of its internal controls
- Most recent certified financial audit if required to complete one under Section 309.53, Subd. 3.
- Confirmation that it is in good standing with the Office of the Secretary of State.
- Confirmation that it is registered with the Minnesota Attorney General's Office, unless otherwise exempt.
- Confirmation that none of its current board members or staff with authority to access grant funds have been convicted of a felony financial crime in the last 10 years.

Non-profit grantees that are not in good standing with the Minnesota Secretary of State and appropriately registered with the Attorney General's Office are not eligible to receive grant contract agreements unless approved by the MDA.

## For-profit businesses

All for-profit businesses selected for a grant award of \$50,000 must undergo a financial review prior to receiving a grant contract agreement.

To comply with Policy 08-06, applicants may be asked to submit the following documents:

- A copy of the business' most recent federal and state tax returns. If the business has not been in business long enough to have a tax return, then they must submit current financial statements and documentation of internal controls.
- Confirmation that the business entity is not under bankruptcy proceedings or have any liens on assets.
- Confirmation that the business is in good standing with the Office of the Secretary of State.
- Confirmation that none of its current board members or staff with authority to access grant funds have been convicted of a felony financial crime in the last ten years.

All for-profit businesses selected for a grant award over \$100,000 must submit either a [Form REV 185i \(PDF\)](#) or [Form REV185b \(PDF\)](#) at the time of grant award notification. These forms give the Minnesota Department of Revenue permission to inform the MDA if the grantee owes any back taxes.

## Political sub-divisions

All political sub-divisions selected for a grant award must undergo a financial review prior to receiving a grant contract agreement.

To comply with Policy 08-06, applicants must confirm that none of its current public officials, board members, or staff with authority to access grant funds have been convicted of a felony financial crime in the last ten years.

## Individuals

Individuals will need to certify that they have not been convicted of a felony financial crime related to a state grant contract agreement.

All individuals selected for a grant award over \$100,000 must submit either a Form REV 185i (PDF) or Form REV185b (PDF) at the time of grant award notification (see the [for-profit businesses](#) section). These forms give the Minnesota Department of Revenue permission to inform the MDA if the grantee owes any back taxes.

## Environmental review

If your grant proposal is selected for funding and includes construction, your project must comply with the National Environmental Policy Act (NEPA) and related applicable agency regulations and instructions; Section 106 of the National Historic Preservation Act (NHPA); the Endangered Species Act (ESA); other laws and regulations as outlined therein; and any applicable state, local, or tribal laws. A review for NEPA compliance is required prior to the award of grant funds, and applicants must provide all information required for the review at that time.



## Grant contract agreement

Grant contract agreement templates are available for review on the [Office of Grants Management Forms and FAQs](#) webpage.

Upon final approval of an application and before beginning work on the grant project(s) and receiving reimbursements, the applicant must:

- Complete an IRS W-9 form or register as a vendor in SWIFT, the state's accounting system, or confirm that the information in SWIFT is still correct;
- Submit documentation to meet the pre-award financial review requirements, environmental review, or any other documentation as applicable within 30 days of request for documentation being sent to the grantee; and
- 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 project. This agreement must be signed within 30 days of being sent to the grantee.

Eligible expenses may only be incurred after the contract has been signed by all parties. The MDA will not be held liable for any costs incurred by any firm for work performed in the preparation and production of a proposal, nor for any work performed prior to the formal execution of the contract.

## Financial management

### Internal controls

Grantees must have adequate internal controls to assure that federal grant funds are kept separate from other grant funds and general organization expenses and income and has a process for approving expenditures as described in [2 CFR 200.303](#).

### Procurement

Grantees must follow the general procurement standards in [2 CFR 200.318](#) and use their own documented procurement procedures which reflect applicable state and local laws and regulations, provided that the requirements conform to applicable federal law and the standards found in [2 CFR 200.302-326](#). Grantees will be required to abide by the state's bidding requirements for larger purchases (over \$10,000). See a list of the state's [bidding requirements](#) for details.

Grantees 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.

Grantees must not contract with vendors who are included in [Minnesota's Suspended/Debarred Vendor Report](#) or vendors listed on the [federal governmentwide exclusions](#) in SAM.gov.

## **Build America, Buy America Act (BABA)**

Any public infrastructure project funded under RFSI must coordinate with the MDA and USDA to ensure adherence to the [Build America, Buy America ACT \(BABA\) guidance \(PDF\)](#). For such projects, the grantee must comply with the Buy America Sourcing requirements outlined in the BABA provisions of the [Infrastructure Investment and Jobs Act](#), and further described in [2 CFR Part 184–Buy America Preferences For Infrastructure Projects](#). The requirements of BABA do not apply to for-profit entities or projects receiving less than \$250,000 in federal funding.

### **Prevailing wage requirements**

Because RFSI is funded by the American Rescue Plan Act, the program is exempt from federal prevailing wage requirements (commonly known as Davis-Bacon rules). Most RFSI projects are also exempt from state prevailing wage requirements (the Minnesota Prevailing Wage Act), as long as you don't use state funds to meet your project's matching requirement.

If you do plan to use state funds (i.e., state financial assistance such as a state grant or loan) to meet all or a part of your project's matching requirement — and if your project involves construction — the Minnesota Department of Labor and Industry will need to evaluate your project to determine if state prevailing wage requirements will apply. 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.

## **Reporting requirements, payments, and accountability**

### **Reporting and communication**

Grantees will be required to provide performance reports throughout the project duration. All reports must be submitted in a format specified by the MDA. Reports will include a summary of the project results to-date and the impact of the grant program, quantitative reporting on [performance measures](#), and three to five photos of the project. The MDA reserves the right to modify reporting requirements during the project, and additional requirements may be imposed based on USDA reporting requirements and guidance. Information submitted in any report or survey will be a public record.

Grantees who do not submit reports on time, and/or submit incomplete reports, may be required to return previously disbursed funds to the MDA, and may be removed from consideration for future funding. The MDA may retain up to 25% of the total award pending receipt of an acceptable and timely final report, in a format specified by the MDA.

We conduct follow-up surveys to help us 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 your ability to secure future funding from the MDA.

## Payments

Grant funds are dispersed on a reimbursement basis. All grantee requests for reimbursement must correspond to the approved grant budget. To receive payments, grantees must submit requests for reimbursements. Requests need to include an itemized invoice plus documents to verify both the costs you are requesting reimbursement for and your matching contributions to the grant. Depending on the expense, verification documentation may include financial reports from your financial accounting system (including payroll), supporting documentation such as invoices or receipts, certifications of any in-kind contributions, and a progress report. Generalized information on requesting reimbursement can be found in our [expense reimbursement guide \(PDF\)](#) and [hourly wage reimbursement guide \(PDF\)](#), although there may be additional requirements for this program.

Grantees must have the financial capacity to be able to document the receipt of revenue and expenditures on staff time, contractors, and other grant-approved costs. Grantees must also know what is and is not an “allowable” cost to be charged to the grant. Grant payments will not be made on any grants with overdue reports unless the MDA has given the grantee a written extension.

## Monitoring

The MDA monitors grantees to ensure that work is progressing within the required time frame, outcome data is being collected, and that fiscal procedures are followed accurately and appropriately. Monitoring can include review and discussion of financial and program information via phone and email (called “desk audits”), as well as site visits. The MDA will perform at least one site visit for all grantees before a final payment is approved; grantees with awards of \$250,000 or more will receive annual monitoring visits. Other grantees may also receive additional site visits at the discretion of the MDA.

The MDA will perform a financial reconciliation of at least one invoice on grants greater than or equal to \$50,000; financial reconciliation may be performed on additional payment requests at the discretion of the MDA. For this purpose, the grantee must provide expense receipts, employee timesheets, invoices, and any other supporting documents requested by the state.

## Record retention and audits of project

Grantees must maintain a project file containing all records of correspondence with the MDA, receipts, invoices, records of payments for all expenses listed in the approved budget, payroll records, other records of cash flows related to grant funds (i.e., bank statements, accounting records, etc.), documentation verifying any in-kind contributions, minutes from board or other governing body meetings that record decisions to charge or contribute to the grant, and copies of all reports and documents associated with the project. Upon request by state or federal agencies, the grantee shall produce a legible copy of any or all such records. 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 state granting agencies, and either the legislative auditor or the state auditor, as appropriate ([MINN. STAT. 16B.98, subd. 8](#)). This requirement will last for a minimum of six years from the grant contract agreement end date with receipt and approval of all final reports, or the required period of time to satisfy all state and program retention requirements in [2 CFR 200.334](#), whichever is longer.

All grantees (other than federal agencies and for-profit businesses) are responsible to comply with [2 CFR 200 Subpart F – Audit Requirements](#). The standards require any grantee that expends \$750,000 or more in federal awards during their fiscal year to have a single or program-specific audit conducted for that year. All auditees are to submit their audit reports directly to the Federal Audit Clearinghouse.

## **Affirmative action and non-discrimination policy**

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](#) as well as the federal civil rights law and [USDA civil rights regulations and policies](#).

## **Voter registration requirement**

Nonprofit and government entity grantees will provide voter registration services for its employees ([MINN. STAT. 201.162](#)).

## **Publicity**

All projects funded by this program must publicly credit the MDA, including on the grantee's website when practical. Grantees must also acknowledge USDA support as described in Section 11.0 of the USDA AMS General Terms and Conditions. This program also requires that the grantee also follow USDA requirements for signage and acknowledgement of funding from the American Rescue Plan Act. The USDA will provide guidance on necessary signage.

# Project Evaluation Profile

Evaluation criteria	Maximum score
<p><b>Project addresses the goals of the RFSI Infrastructure Grant</b></p> <ul style="list-style-type: none"> <li>• Project expands capacity for the aggregation, processing, manufacturing, storing, transporting, wholesaling, or distribution of Minnesota food products.</li> <li>• Project increases resiliency by clearly addressing a middle-of-the-food-supply-chain problem or need.</li> <li>• Project objectives are meaningful and realistic.</li> </ul>	20
<p><b>Project beneficiaries</b></p> <ul style="list-style-type: none"> <li>• Project directly and meaningfully benefits target beneficiaries for this grant for this grant (historically underserved farmers and ranchers; new and beginning farmer and ranchers; veteran producers; or other businesses owned by socially disadvantaged individuals, veterans, or women, as defined by the Small Business Administration).</li> <li>• Project directly benefits one or more counties on the <a href="#">Distressed Communities Index</a>.</li> </ul>	10
<p><b>Project priority areas</b></p> <ul style="list-style-type: none"> <li>• Project offers family-supporting job quality and safe treatment of workers.</li> <li>• Project focuses on small and medium-sized enterprises that add options and choices for consumers or producers, with an emphasis on value-added products.</li> <li>• The applicant is a cooperative or farmer-owned/worker-owned enterprise.</li> </ul>	10
<p><b>External project support and community impact</b></p> <ul style="list-style-type: none"> <li>• Project/applicant has no apparent conflicts with other state or federal grants.</li> <li>• Project/applicant has community support from a wide range of relevant stakeholders.</li> </ul>	5
<p><b>Project readiness</b></p> <ul style="list-style-type: none"> <li>• Applicant demonstrates sound business management, financial aptitude, and stability.</li> <li>• Applicant describes the financial benefit of doing the grant project.</li> <li>• Applicant presents a realistic business plan or equivalent document that supports the relevance of the project to the organization’s goals.</li> <li>• Applicant demonstrates the financial and administrative capacity necessary to carry out the project and the ability to meet federal and state rules and regulations.</li> <li>• Applicant has the critical resources and/or infrastructure necessary to support the initiation and completion of the project in place.</li> </ul>	20
<p><b>Project impact</b></p> <ul style="list-style-type: none"> <li>• Project demonstrates strong potential impact on Minnesota agriculture and on the resiliency of the middle-of-the-food-supply-chain in Minnesota.</li> <li>• Project involves Minnesota-produced dairy, annual/perennial grains, fruits/vegetables, dry beans, or aquaculture.</li> </ul>	10
<p><b>Work plan and timeline</b></p> <ul style="list-style-type: none"> <li>• Work plan is thorough and realistic.</li> <li>• A detailed description of each step of the grant project is provided with estimated dates.</li> </ul>	10
<p><b>Budget</b></p> <ul style="list-style-type: none"> <li>• Budget clearly details all project costs and their relevance to the project.</li> <li>• Budget is cost-effective; costs are well-justified and the matching contribution(s) is verified.</li> <li>• If in-kind match is used, applicant has the ability to accurately track, document, and verify the in-kind contributions provided.</li> </ul>	15
<p><b>Total</b></p>	<p><b>100</b></p>

# Application Checklist

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We've provided this checklist of the required and optional application forms and documents to help you prepare for submitting your application:

- Required:** Application narrative
  - Submit by answering the questions in the online application form.
- Optional:** Community letters of support/collaboration
  - Upload under the External Project Support and Community Impact section of the online application.
- Required:** Business plan (for-profit business applicants) or equivalent document (non-business applicants)
  - Upload under the Project Readiness section of the online application.
- Optional:** Additional business or organizational plans, documents, or studies relevant your project
  - Upload under the Project Readiness section of the online application.
- Optional:** Business readiness letters
  - Upload under the Project Readiness section of the online application.
- Required, if applicable to your project:** Evidence of critical resources and infrastructure letters
  - Use the required template provided in Appendix A and available for download on the RFSI webpage.
  - Upload under the Project Readiness section of the online application.
- Required:** Match verification letters
  - Use the required template provided in Appendix B and available for download on the RFSI webpage.
  - Upload under the Budget section of the online application.
- Required:** Budget worksheet
  - Use the required budget worksheet (Excel spreadsheet) that is available for download on the RFSI webpage.
  - Upload under the Budget section of the online application.
- Optional:** Estimates, quotes, and bids or construction designs, plans, and documents
  - Upload under the Budget section of the online application.
- Required, if applicable to your organization:** Federal Negotiate Indirect Cost Rate Agreement (NICRA)
  - Upload under the Budget section of the application.

# Application Questions

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These questions are provided here as a preview of the application for your convenience. You will answer these questions in the MDA's online application system. Please login and review the online application before you begin preparing your answers.

## Contact information

### Applicant information

For this application, the recipient (farm, individual, business, organization, etc.) is the applicant.

- Applicant name (Organization name or your full name for individual applicants)
- Federal Unique Entity ID (UEI)
- Applicant phone number
- Applicant email address

### Physical address

List the address where your business or project is or will be physically located.

- Applicant physical address (street, city, state, zip)
- Applicant county
- Applicant Minnesota State House District (Use the [District Finder](#) if you don't know your district.)

### Mailing address (if different from above)

- Applicant mailing address (street, city, state, zip)

### Authorized organizational representative (AOR)

List the person who will be the main contact for any correspondence and is responsible for signing any documentation should the grant be awarded.

- AOR name
- AOR title
- AOR phone number
- AOR email address
- AOR mailing address (street, city, state, zip)
- Please confirm that if awarded a grant, the person listed above is authorized to sign contracts on behalf of the organization.

(Optional) List an additional point of contact. This person will receive correspondence about the application and grant in addition to your AOR.

- Additional name
- Additional title
- Additional phone number
- Additional email address
- Additional mailing address (street, city, state, zip)
- Please confirm that if awarded a grant, the person listed above is authorized to receive and respond to correspondence about your project on behalf of your organization.

### Type of applicant

- Select your applicant type (select all that apply):
  - Agricultural producers or processors, or groups of agricultural producers and processors.**
  - For-profit entities** operating middle-of-the-supply-chain activities primarily focused for the benefit of local and regional producers, and that meet the eligibility requirements of the SBA small business size standards are eligible. (Use the [SBA Size Standards Tool](#) to check if your business qualifies.)
  - Nonprofit organizations** operating middle-of-the-supply-chain activities.
  - Local and tribal government entities** operating middle-of-the-supply-chain activities.
  - Institutions such as schools, universities, or hospitals** bringing producers together to establish cooperative or shared infrastructure or invest in equipment that will benefit multiple producers' middle-of-the-supply-chain activities.

### Eligibility certifications

- Confirm that the following statements apply to your application. For this application, the recipient (farm, individual, business, organization etc.) is the applicant. You must check "Yes" to all the statements to be eligible to apply for this grant.
  - The applicant is operating or through this project will be operating middle-of-the-food-supply chain activities such as processing, aggregation, and distribution of eligible agricultural products in Minnesota.
  - The applicant is in good standing with the State of Minnesota; does not owe the State of Minnesota any back taxes; has not defaulted on any State of Minnesota-backed financing in the last seven years; is compliant with current state regulations or this project will support the organization becoming compliant; and, if applicable, has an active registration with the Secretary of State and will maintain one for the entirety of the grant period if awarded.
  - The applicant, principals of the applicant organization, or others involved in this project have not been convicted of a felony financial crime such as theft, embezzlement, and forgery in the last 10 years.
  - The applicant understands that this grant is a federal subaward, and if awarded, agrees to comply with all applicable federal and state laws and regulations and the most recent USDA AMS General Terms and Conditions.
  - The applicant, if selected to receive an award, will comply with the pre-award risk assessment defined in the request for proposals.



## Project summary

- Project title (15 words or less)

## Grant request

- Total project cost (This should be the total of your match requirement and grant request).
- Total grant request (This is the amount of grant funds you are requesting. Must be between \$100,000 and \$3,000,000.)
- Total matching funds (This is the amount of matching funds, both in-kind and cash, that you are contributing to the project.)

## Project duration

- Estimated project start date
  - Must be after the contract is signed by you and the State of Minnesota.
  - Award notification is expected to be in August or September 2024.
  - You may not incur any project expenses until after the grant contract agreement is signed.
- Estimated project end date
  - Contracts may last until March 31, 2027.
  - You must complete your project during the required time frame, and all costs included in your budget must be paid for by the end date of the contract.
  - It is acceptable to complete a project before the project end date. However, even if you expect you might complete your project sooner, we encourage you to take the full grant period to allow ample time to complete projects.

## Project summary

- Provide a brief description of your project and how it addresses the goals of the RFSI Grant. (1000 characters, including spaces)
  - This summary should be a few short sentences suitable for publication as it may be used for public notification about awarded grant projects.
  - Include the name of the applicant organization; a concise outline of the project's purpose and expected outcomes; and a description of the general tasks to be completed during the project, including a high-level overview of what you will buy with grant funds and why.

## Project type

Select one or more of the categories from the list that match your proposed project.

- Expanding processing capacities, including adding product types, increasing production volumes, and supporting new wholesale or retail product lines.
- Modernizing equipment or facilities through upgrades, repairs, or retooling (e.g., adapting product lines for institutional procurement or adding parallel processing capacity).
- Purchasing and installing specialized equipment, such as processing components, sorting equipment, packing and labeling equipment, or delivery vehicles.
- Modernizing manufacturing, tracking, storage, and information technology systems.
- Enhancing worker safety through adoption of new technologies or investment in equipment or facility improvements.
- Constructing a new facility.
- Increasing packaging and labeling capacities that meet compliance requirements under applicable laws (e.g., sealing, bagging, boxing, labeling, conveying, and product moving equipment).
- Increasing storage space, including cold storage.
- Developing, customizing, or installing climate-smart equipment that reduces greenhouse gas emissions, increases efficiency in water use, improves air and/or water quality, and/or meets one or more of USDA's climate action goals.
- Modernizing equipment or facilities to ensure food safety, including associated Hazard, Analysis, and Critical Control Points (HACCP) consultation, plan development, and employee training.
- Training on the use of all equipment purchased under the grant and associated new processes.
- Other:

## Project need

- Explain the specific food supply chain issue, problem, or need and how your project will address it. (2,000 characters, including spaces)

## Objectives

- Provide one to three objectives that you hope to achieve with this project. (2,000 characters, including spaces)
  - Example Objective 1: Expand our capacity to store produce at optimal cold temperatures.
  - Example Objective 2: Install a modernized hot fill bottling line that will help ensure food safety and enhance worker safety.

## Project beneficiaries

- Estimate the total number of people who will directly benefit from the project:
  - The number you list should be a reasonable estimate of the number of individuals that could be directly and meaningfully impacted by the results of your project. You should be able to justify, track, and report on the number of beneficiaries you enter during the project duration.
  - For example, for most projects, we do not recommend including “consumers or end users” as project beneficiaries because they are not directly impacted by middle-of-the-supply chain activities, and it is challenging to track and report on the consumer benefits of your project.

## Target beneficiaries

- Does your project directly benefit any of the target beneficiaries? (Select all that apply)
  - Historically underserved farmers and ranchers
  - New and beginning farmers and ranchers (operating their farm or ranch for 10 consecutive years or less)
  - Veteran producers (served in the military)
  - Middle-of-the-supply-chain businesses owned by socially disadvantaged individuals (other businesses that qualify under the Small Business Administration [SBA] categories of Small Disadvantaged Business, Women-Owned Small Business, and Veteran-Owned Small Businesses)

## Beneficiary description

- Provide a description of who will benefit from your project and how they will benefit. (2000 characters, including spaces)
  - Provide a breakdown of the different types or groups of beneficiaries, the estimated number in each group, and how they will benefit. (For example, “The 40 member producers in our cooperative will benefit from utilizing our new aggregation site.”)
  - If you have beneficiaries in one of the priority groups listed above, describe how your project will specifically benefit each group. (For example, “10 of the member producers in our cooperative are new and beginning farmers. We have a mentorship program within our cooperative that pairs longstanding members with members who are just beginning to help them succeed, which will help ensure new producers benefit from our additional aggregation capacity.”)
  - Describe how you estimated the number of beneficiaries and how you plan to track project beneficiaries over the course of the project. (For example, “We used our membership roster and annual member survey to determine these numbers and will continue to do so throughout the project.”)

## Distressed communities index

- Using the [Distressed Communities Index \(DCI\) Map](#), provide the community distress score for the county where your project is primarily located.
  - List the county and score.
  - Example: Faribault County- 60.2
- Using the DCI Map, provide the community distress score for additional counties that will directly benefit from your project. (500 characters, including spaces)
  - List each county and score.
  - Example: Martin County- 52.3, Blue Earth County- 29.5
- If you have listed any counties with a “Mid-tier,” “At-risk,” or “Distressed” DCI score (shown in light green, orange, or red on the map), briefly describe how your project will directly and meaningfully benefit these counties. (1,000 characters, including spaces)
  - Some examples of how your project may directly and meaningfully benefit additional counties, include:
    - Your cooperative has farmer-owners in several counties.
    - Your value-added food business sources commodities from producers in other counties.
    - Your food hub is expanding and your project includes renting an aggregation site in a neighboring county.

## Project priority areas

- Does your project offer family-supporting job quality and safe treatment of workers?
  - If you marked yes to the previous question, describe how. (1,000 characters, including spaces)
- Does your project focus on small and medium-sized enterprises that add options and choices for consumers or food producers, with an emphasis on value-added products?
  - If you marked yes to the previous question, describe how. (1,000 characters, including spaces)
- Is the applicant organization a cooperative or farmer-owned/worker-owned enterprise?
  - If you marked yes to the following question, describe your organization's ownership and governance structure. (1,000 characters, including spaces)

## External project support and community impact

### Other grant support

- Have you applied for or received funding for this project from another federal or state grant program, other than RFSI? (Yes/No)
  - If you marked yes to the previous question, please explain. (2,000 characters, including spaces)
  - Identify the federal or state grant program(s) and describe how the RFSI project differs from or supplements the other grant program(s) efforts.
  - Keep in mind, projects which have already received funding from another federal or state grant or subaward programs may not receive funding for the same activities (i.e., no “double-dipping”). However, RFSI grants may build on the successes of prior funding to fund subsequent activities.

### Community support

- Describe the stakeholders who support the need for this project and why. (3,000 characters, including spaces)
  - If applicable, you should describe any formal project partners or collaborators and the specific roles and responsibilities of each in the project.
    - Any project partners or collaborators involved in your project must understand their role and be willing to participate and commit adequate time to your project. We recommend including a letter of support from partners or collaborators to demonstrate their commitment.

### Community letters of support and collaboration (optional)

- You may further demonstrate your project's community impact by submitting letters of support from:
  - Partners or collaborators who will be participating in or contributing to your project.
  - Agricultural producers, producer groups, or other sources of Minnesota-grown products.
  - Other middle-of-the-supply chain businesses or organizations.
  - Community organizations citing the potential impacts of your projects.
  - Potential beneficiaries of your project, including those belonging to the priority groups for this grant (historically underserved farmers and ranchers, new and beginning farmers and ranchers, veteran producers, middle-of-the-supply-chain businesses owned by socially disadvantaged individuals).
- If you have multiple letters of support to upload, merge them into a single file before uploading.
- If you choose to include optional community letters of support, they should be separate from the required Match Verification Letters and Evidence of Critical Resources and Infrastructure Letters, which should be uploaded in the appropriate areas of the application.

## Project readiness

### Organization summary

- Provide a summary of your organization, including your mission and goals; services and products; and organization structure, ownership, and leadership. (2,000 characters, including spaces)

### Business or organizational plan summary

- Provide a summary of your business plan (for-profit applicants) or equivalent organization plan/strategy (for nonprofit, institutional, or governmental applicants). (2,000 characters, including spaces)
  - Describe the financial health and cash flow of your organization over the past year.
  - Explain how your organization is looking to grow or remain competitive.
  - Tell us how this project fits into your organization's plan and how this project will financially benefit your organization.

### Business plan or equivalent document submission

- Submit a business plan or equivalent document for your organization or project.
  - Business plans are required with your application for all for-profit producer and business applicants.
  - For non-business entity applicants (such as nonprofits, institutions, or local and tribal governments), an equivalent document to a business plan, such as a strategic plan, may be provided. Your equivalent document should be project specific. (For example, a strategic plan for an entire university or hospital system likely will not provide enough details about the project.)
  - If you would like to include more project-specific details in addition to your business plan or equivalent document, you may also upload feasibility studies, marketing studies or plans, or work plans/timelines as relevant.
  - Businesses plans or equivalent documents are not required to have financial statements or projections, although including them is recommended to help you demonstrate financial viability and internal financial capacity. If selected, you may be required to submit financial statements as part of the pre-award financial review.
  - Redact confidential information and trade secrets included in your business plan or equivalent document.
  - In the online application, space will be provided to upload up to two documents. If you would like to include more than two documents, you must merge them together before uploading.
  - Resources and technical assistance may be available to help applicants develop sound business plans or equivalent documents. Check the RFSI webpage for more information.

### Business readiness letters (optional)

- You may further demonstrate your business readiness by submitting letters of support from:
  - Financial or business contacts that can attest to your organization's sound business management, financial aptitude, and stability.
  - Contacts in your profession or previous co-workers who can verify you have the experience or skills necessary to successfully complete the project.
- If you have multiple business readiness letters to upload, they must be merged into a single file before uploading.
- If you choose to include optional business readiness, they should be separate from the required Match Verification Letters and Evidence of Critical Resources and Infrastructure Letters, which should be uploaded in the appropriate areas of the application.

## Grant administration capacity and ability to meet federal rules and regulations

- Please describe organization’s capacity to manage the grant if received. (2,000 characters, including spaces)
  - Describe your history of performing the work that will be funded by the grant.
  - Describe any relevant capacities such as key personnel, current budget, past grant experience, or internal financial policies or controls.
  - Briefly describe how your organization will comply with state and federal rules and regulations that apply to your project (such as the USDA AMS General Terms and Conditions, Build America Buy America [BABA] Act, National Environmental Policy Act [NEPA], National Historic Preservation Act [NHPA], and Endangered Species Act [ESA]).

## Evidence of critical resources and infrastructure letters

- If critical resources and/or infrastructure are necessary for the completion of your project, an “Evidence of Critical Resources and Infrastructure Letter” is required as part of your application submission. Land, structures, and other critical resources must be in place and in working condition at the time of application submission. The letter must indicate the critical resources that are necessary for initiation and completion of the project and certify that they are in place and committed prior to the start date of the project. A letter should be provided by each organization providing critical resources or infrastructure, which may include external entities and organizations as well as the applicant themselves. A template that must be used for this letter is provided in Appendix A and on the RFSI webpage. All “Evidence of Critical Resources and Infrastructure Letters” must include:
  - Name of Project Applicant
  - Project Title
  - A statement about committing/approving/granting permission/etc. of the critical resource or infrastructure to the project for the time period.
  - A description of the approved use of the critical resource or infrastructure approved for the project, any costs associated with its use, and any qualifying circumstances for its use.
- Critical resources and infrastructure can be facilities, land, structures, use of city streets/parks, shared- use kitchens, and/or other resources that are essential for the proposed project activities.
- An example of an “Evidence of Critical Resources and Infrastructure Letter” would be a letter from the landowner verifying that the land where a new processing facility is to be built will be purchased by the applicant prior to the project’s start date.
- If you have multiple evidence of critical resources and infrastructure letters to upload, merge them into a single file before uploading.

## Project impact

- Describe how your project will strengthen and increase the resiliency of the middle-of-the-supply-chain in Minnesota. (3,000 characters, including spaces)
  - Explain how your project will impact Minnesota agricultural products; increase economic viability of local/regional producers, processors, and other supply chain operators; and make Minnesota’s food system more resilient to future supply chain disruptions.
  - Do not answer with who will benefit as this should be answered in the [project beneficiaries](#) section of the application. Focus on your project's impact and what will change because of your project.
- Does your project involve Minnesota-produced dairy, annual and perennial grains, fruits and vegetables, dry beans, or aquaculture?
  - If yes, list your current or anticipated sources of these Minnesota agricultural products and estimated amounts you will purchase per year during your project. (2,000 characters, including spaces)
    - Examples: Berry the Hatchet Farm, Cambridge, MN (50 pounds blueberries); Multiple dairy farmers, SE Minnesota (15,000 cwt, 20 producers)

## Performance measures

- You will be required to report on the performance measures below that are relevant to your project. Provide estimated numbers for each performance measure that is relevant. Only select those measures which you will be able to track and report on for the duration of your project. Leave measures that are not applicable to your project blank.

### Outcomes related to increasing capacity in the middle-of-the-supply chain for local/regional food products.

Indicator	Expected number
Number of new facilities constructed	
Number of existing facilities improved or expanded	
Number of processing equipment units purchased and installed	
Number of processing equipment units modernized through upgrades, repairs, or retooling	
Number of aggregation, storage, or distribution equipment units purchased and installed	
Number of aggregation, storage, or distribution equipment units modernized through upgrades, repairs, or retooling	
Number of employees trained on new equipment and processes	
Number of employees that received food safety training	
Number of employees that received worker safety training	
Number of new or improved wastewater management systems	
Number of new or improved information technology systems	

### Outcomes related to increasing economic viability of local/regional producers and processors.

Indicator	Expected number
Number of new jobs created	
Number of local/regional agricultural producers who benefited from the new or improved processing/aggregation/storage or distribution capacity	
Number of new local/regional products processed, aggregated, stored, or distributed	
Number of new value-added products developed	
Number of new market-outlets established	

## Project work plan

### Work plan and timeline

- Create a work plan using the table provided in the online application. You should include the steps that you will take to successfully complete your project. For example, you might include target dates for requesting quotes, various phases of construction, installing and testing equipment, providing training to employees, and full launch of the equipment or facility.
- The online application will allow you to include up to 30 rows in your work plan. You do not have to complete every row of the table; only include as many tasks or action items as your project requires.

### Example work plan tasks:

Estimated timeframe	Description of task or action item	Responsible parties
Example: November 2024	Request bids for produce sealer/bagger system	Project director
Example: January to March 2024	Purchase and install produce sealer/bagger system in facility	CEO & project director
Example: February to July 2024	Provide training to staff related to new equipment	Project director & processing staff

## Budget

### Self-certification for reduced match

- To qualify for reduced match, applicants must self-certify their eligibility. Select the following options that describe you and/or your business or organization:
  - Beginning Farmer or Rancher
  - Veteran Farmer or Rancher
  - Limited Resource Farmer or Rancher
  - Socially Disadvantaged Farmer or Rancher
  - Small Disadvantaged Business
  - Women-Owned Small Business
  - Veteran-Owned Small Business
  - N/A
- By checking this box, I certify that my entity qualifies for the graduated match reduction of 25%. By selecting to self-certify for reduced match, I am attesting to the truth and accuracy of my claim to qualify for reduced match.

### In-kind match

- Will you be using in-kind contributions to meet your matching requirement or a part of your matching requirement for your project?
  - If yes, please describe your plan to accurately track, document, and verify the in-kind contributions provided. (2,000 characters, including spaces)

### Match verification letters

- Letter(s) verifying the availability of all matching contributions are required. Upload match verification letters from each individual or organization providing in-kind or cash match contributions for your project. Letters must be signed. A template which must be used for match verification letters is provided in Appendix B and on the RFSI webpage.
- If you have multiple match verification letters to upload, merge them into a single file before uploading.



## Budget worksheet

- A budget worksheet is required as part of your application. A budget worksheet which must be used has been provided on the RFSI webpage.
  - The budget worksheet has 10 tabs—one for each budget category and the budget summary. Be sure to complete all tabs in the worksheet that are relevant to your project. Some of the cells in the worksheet contain formulas and will automatically calculate total and subtotals for you. Do not modify the budget worksheet except to add more rows.
  - We encourage applicants to review Section 8.0 of the USDA AMS General Terms and Conditions, and the RFSI Program Specific Terms and Conditions when determining if a specific cost may or may not be eligible.

## Budget justification

- Provide a written description and justification of the costs for each category of your budget in the corresponding section of the application below.
  - The budget justification must provide enough detail for reviewers to easily understand how costs were determined and how they relate to the proposed objectives and outcomes for your project. The budget must show a relationship between work planned and your proposed expenses.
  - Be sure to list and justify all expenses to be covered with matching funds and describe where they will be coming from.
  - In most sections of the budget justification, you may attach documents such as quotes, estimates, or bids from consultants, businesses, or vendors that will be supplying the goods or services listed in your budget. Attaching these documents, especially for major costs, helps you show that the budget you are proposing is well researched and reasonable.
  - A note on bidding/procurement requirements: We encourage applicants to select and name specific contractors, consultants, and vendors in your application budget for equipment, supplies, construction, or contractual costs above \$10,000. This may allow you to avoid a formal bidding process and save you time and effort later.

Instructions and examples for each section of the budget are included.

## Budget summary

- The budget summary table will automatically calculate based on your entries in the other tabs of the worksheet. Complete the match type column using the drop down list in each cell.

Expense category	Grant funds requested	Match value	Match type (cash, in-kind, N/A)
Personnel			
Fringe benefits			
Travel			
Equipment			
Supplies			
Construction			
Contractual			
Other			
<b>Direct costs subtotal</b>			--
Indirect costs			
<b>Total budget</b>			--

## Personnel budget

- List salary and wage costs for time spent working on the project by individuals employed by the applicant business or organization in the personnel budget table. Add rows for each additional position or employee included in your budget.

### Example personnel budget table:

# of employees	Personnel name(s) and title(s)	Level of effort (# of hours OR % FTE)	Funds requested	Match value	Match type (cash, in-kind, N/A)
1	Mai Manager/ project coordinator	50% FTE grant, 50% FTE match	\$35,000	\$35,000	Cash
2	Zach Zucchini & Sarah Saladmaker/ produce processing assistants	10% FTE grant, 10% FTE match	\$9,000	\$9,000	Cash
<b>Personnel subtotal</b>	--	--	<b>\$44,000</b>	<b>\$44,000</b>	--

- For each position or employee included in your budget, describe the activities to be completed by name/title, including approximately when activities will occur in the personnel budget justification.

### Example personnel budget justification:

- Mai Manager/project coordinator: Description of role and activities in project, timeframe, and justification.
- Zach Zucchini & Sarah Saladmaker/produce processing assistants: Description of role and activities in project, timeframe, and justification.

## Fringe benefits budget

- Provide the fringe benefits rate (%) and cost (e.g., workers comp costs, insurance benefits, retirement benefits, etc.) for all individuals included in the personnel budget following your organization's established fringe benefits policy in the fringe benefits budget table. Add rows for each additional position or employee included in your budget.

### Example fringe benefits budget table:

# of employees	Personnel name(s) and title(s)	Fringe benefit rate	Funds requested	Match value	Match type (cash, in-kind, N/A)
1	Mai Manager/ project coordinator	30%	\$10,500	\$10,500	Cash
2	Zach Zucchini & Sarah Saladmaker/ produce processing assistants	20%	\$1,800	\$18,000	Cash
<b>Fringe benefits subtotal</b>	--	--	<b>\$12,300</b>	<b>\$12,300</b>	--

- A budget justification for fringe benefits is not required, but you may note any other information or notes about fringe benefits in this section.

## Travel budget

- List costs for project-related travel for all individuals except contractual personnel in the travel budget table. Please note that travel costs are limited to those allowed by formal organizational policy; in the case of air travel, project participants must use the lowest reasonable commercial airfares. For recipient organizations that have no formal travel policy and for-profit recipients, allowable travel costs may not exceed those established by the [Federal Travel Regulation, issued by the US General Services Administration \(GSA\)](#), including the maximum per diem and subsistence rates prescribed in those regulations. Add rows for each additional line item included in your travel budget.

### Example travel budget table:

Trip #	Trip destination	Type of expense (e.g., airfare, car rental, hotel, etc.)	Unit of measure (e.g., days, nights, miles)	# of units	Cost per unit	# of travelers claiming expense	Funds requested	Match value	Match type (cash, in-kind, N/A)
1	Food safety seminar in St. Cloud	Mileage	Miles	168	\$0.67	1	\$112.56	\$0	N/A
1	Food safety seminar in St. Cloud	Per diem-lunch	Meals	1	\$13.00	4	\$52.00	\$0	N/A
2	Equipment pick-up in St. Paul	Mileage	Miles	282	\$0.67	1	\$0	\$188.94	In-kind
<b>Travel subtotal</b>	--	--	--	--	--	--	<b>\$164.56</b>	<b>\$188.94</b>	--

- For each trip listed in your travel budget, describe the purpose of this trip and how it will achieve the objectives and outcomes of the project. Be sure to include approximately when the trip will occur.

### Example travel budget justification:

- Trip 1: Food safety seminar in St. Cloud, (Approximate Date of Travel MM/YYYY), justification
- Trip 2: Equipment pick-up in St. Paul, (Approximate Date of Travel MM/YYYY), justification

### Conforming with your travel policy:

- By checking the box, I confirm that my organization's established travel policies will be adhered to when completing the above-mentioned trips in accordance with [2 CFR 200.474](#) or [48 CFR subpart 31.2](#) as applicable.

## Equipment budget

- List costs to purchase or rent special-purpose equipment or rent general-purpose equipment necessary to achieve project objectives in the equipment budget table. Add rows for each additional line item included in your equipment budget.
- Purchase of general-purpose equipment is not allowable under this program, nor are lease-to-own/rent-to-own agreements for general-purpose equipment. Equipment is tangible, nonexpendable, personal property having a useful life of more than one year and an acquisition cost that equals or exceeds \$5,000 per unit.
  - Special-purpose equipment is used only for technical activities. Some examples of special purpose equipment include canners, hulling processors, reverse osmosis systems, packing machines, flotation tanks, roasters, or other processing equipment, packing and labeling equipment, or delivery vehicles.
  - General-purpose equipment is not limited to technical activities. Some examples of general-purpose equipment include general use motor vehicles, office furniture, office air conditioners, or copiers.
- All equipment purchases must meet the following criteria:
  - Equipment is necessary for the technical activities of your project and is not otherwise reasonably available and accessible.
  - Equipment is normally charged as a direct cost by the organization and is acquired following organizational practices.
  - Equipment must be used solely to meet the purpose of the program and objectives of the agreement.

### Example equipment budget table:

Line item #	Equipment item description	Rental or purchase	Acquisition date	Funds requested	Match value	Match type (cash, in-kind, N/A)
1	Commercial grain mill	Purchase	January 2025	\$7,553	\$0	N/A
2	Powder grain fill machine	Purchase	March 2025	\$5,250	\$5,250	N/A
<b>Equipment subtotal</b>	--	--	--	<b>\$12,803</b>	<b>\$5,250</b>	--

- For each equipment item listed in your equipment budget, describe how this equipment is necessary to your project and how it will be used to achieve the objectives and outcomes of the project. Describe how you arrived at your cost estimate, any selected vendor(s), and attach any bids or quotes you have received.

### Example equipment budget justification:

- Equipment 1: Commercial grain mill, description, and justification
- Equipment 2: Powder grain fill machine, description, and justification

## Supplies budget

- List costs to purchase supplies necessary to achieve project objectives that support the purpose and goal of the proposal. Some examples of supplies under this program include materials, supplies, fabricated parts, small machines/equipment, or printed training materials (costing less than \$5,000 per unit). Add rows for each additional line item included in your supplies budget.

### Example supplies budget table:

Line item #	Supply item description	Cost per unit	# of units	Acquisition date	Funds requested	Match value	Match type (cash, in-kind, N/A)
1	Continuous feed food processor	\$4,800	2	February 2026	\$9,600	\$0	N/A
2	Food safety training handbooks	\$30	10	April 2025	\$300	\$0	N/A
<b>Supplies subtotal</b>	--	--	--	--	<b>\$9,900</b>	<b>\$0</b>	--

- For each supply item listed in your supplies budget, describe how it is necessary to your project and how it will be used to achieve the objectives and outcomes of the project.

### Example supply budget justification:

- Supply item 1: Two continuous feed food processors, description, and justification
- Supply item 2: Ten food safety training handbooks, description, and justification

## Construction budget

- List costs for construction necessary to the project. Some examples of construction costs include additions, improvements, modifications, modernization, demolition and removal, replacements, rearrangements, reinstallations, renovations, alterations, expansions, or other construction on an existing building, as well as construction of a new building(s) at an existing facility, or construction of a new facility at a new site. Construction of wastewater management structures is also eligible. Site work and construction-related materials are also included in this category, which may include items such as wood, nails, concrete, roofing, gravel, paint, insulation, drywall, or plumbing fixtures. Construction costs may also include “soft costs” tied to construction such as administrative and legal expenses, relocation expenses and payments, architectural and engineering fees, or project inspection fees. Add additional lines for each additional line item included in your construction budget.
- If a project is selected for funding, the grantee will be required to follow all applicable federal regulations regarding the construction activities.

**Example construction budget table:**

Line item #	Description	Acquisition date	Funds requested	Match value	Match type (cash, in-kind, N/A)
1	Sitework- tree removal and grading	January 2025	\$0	\$6,500	In-kind
2	Concrete and masonry	March 2025	\$54,000	\$0	N/A
<b>Construction subtotal</b>	--	--	<b>\$54,000</b>	<b>\$6,500</b>	--

- For each construction line item listed in your construction budget describe how it is necessary to your project and how it will be used to achieve the objectives and outcomes of the project. Describe how you arrived at your cost estimate, any selected vendor(s), and attach any bids or quotes you have received or any design and/or construction documents.

**Example equipment budget justification:**

- Construction line item 1: Sitework- tree removal and grading, description, and justification
- Construction line item 2: Concrete and masonry, description, and justification

**Contractual budget**

- List costs for work on the project that will be performed by individuals or organizations other than the applicant (e.g., consultants, contractors, partner organizations, etc.). Add rows for each additional line item included in your contractual budget.

**Example construction budget table:**

Line item #	Description	Hourly Rate/Flat Rate	Funds requested	Match value	Match type (cash, in-kind, N/A)
1	Mateo Alimento, Food Processing Consulting, LLC.	\$65/hour for 50 hours	\$3,250	\$0	N/A
2	Big City University Food Lab- Nutritional Analysis	\$2,600 flat rate	\$1,300	\$1,300	Cash
<b>Contractual subtotal</b>	--	--	<b>\$4,550</b>	<b>\$1,300</b>	--

- For each contractual line item listed in your contractual budget describe how it is necessary to your project and how it will be used to achieve the objectives and outcomes of the project. You must also include a justification for why contractual/consultant services are to be used to meet the anticipated outcomes and objectives. Include an estimated timeline for when the contractual work will be performed. If contractor hourly rates of pay exceed the salary of a [GS-15 step 10](#) federal employee in your area, provide a justification for why the rate is higher (e.g., specialized consulting). This limit does not include fringe benefits, travel, indirect costs, or other expenses. Statutory limitations on indirect costs also apply to contractors and consultants.

**Example contractual budget justification:**

- Contractual line item 1: Mateo Alimento, Food Processing Consulting, LLC., description, and justification
- Contractual line item 2: University Food Lab- Nutritional Analysis, description, and justification

**Other costs budget**

- List costs of all other project-related expenses. Some examples of costs in the other category include, but are not limited to, rental expenses, advertisements/publication costs directly tied to the project (e.g., publication/advertising of an RFP), and data collection related to project monitoring and reporting. Add rows for each additional line item included in your other costs budget.

**Example other budget table:**

Line item #	Other item description	Cost per unit	Number of units	Acquisition date	Funds requested	Match value	Match type (cash, in-kind, N/A)
1	RFP advertising in local paper	\$300/ad	2	November 2024	\$600	\$0	N/A
2	Shared-use kitchen rental	\$800/month	24	November 2024	\$0	\$19,200	Cash
<b>Other subtotal</b>	--	--	--	--	<b>\$4,550</b>	<b>\$19,200</b>	--

- For each other line item listed in your other costs budget describe how it is necessary to your project and how it will be used to achieve the objectives and outcomes of the project. If your budget proposes any meal costs for reasons other than meals associated with travel per diem, you must provide an adequate justification to support that these costs are not entertainment costs. Most often, meals other than those associated with travel per diem are unlikely to be allowable.

**Example contractual budget justification:**

- Other line item 1: RFP advertising in local paper, description, and justification
- Other line item 2: Shared-use kitchen rental, description, and justification

## Indirect costs budget

- List costs incurred that cannot be readily identified with an individual project, program, or organizational activity. They generally include facilities operation and maintenance costs, depreciation, and administrative expenses. If your organization has a federal NICRA (Negotiated Indirect Cost Rate Agreement), you should use the indirect rate specified in the agreement, and a copy of the NICRA must be submitted with the application. Otherwise, applicants may opt to charge up to 10% of modified total direct costs (MTDC). The MTDC are defined in 2 CFR 200.1 as all direct salaries and wages, applicable fringe benefits, materials and supplies, services, and travel. The MTDC exclude equipment, capital expenditures, rental costs, participant support costs, among other costs. See Section 8.1 of the USDA AMS General Terms and Conditions for further guidance. You should only include one row in your indirect budget because there is no breakdown of indirect costs required. A budget justification is not required for indirect costs.

### Example indirect budget table:

Indirect cost rate (%)	Funds requested	Match value	Match type (cash, in-kind, N/A)
10%	\$40,000	\$0	N/A
<b>Indirect subtotal</b>	<b>\$40,000</b>	<b>\$0</b>	--



# Appendix A: Evidence of Critical Resources and Infrastructure Letter Template

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[On Letterhead of Organization Providing the Critical Resource or Infrastructure]

## EVIDENCE OF CRITICAL RESOURCES AND INFRASTRUCTURE

[Name of Applicant’s Authorized Organizational Representative]  
[Applicant Organization]  
[City, State]

Date: [Enter date]

Dear [Applicant’s Authorized Organization Representative]:

We [include a statement about committing/approving/granting permission/etc. of the critical resource or infrastructure (Critical infrastructure can be facilities, land, structures, use of city streets/parks, shared-use kitchens, and/or other resources that are essential for the proposed project activities.)] to the 2024 Minnesota Resilient Food Systems Infrastructure grant, [Project Title], for the time period of [include dates of commitment within proposed project period] in the following way:

[Describe the approved use of the critical resource or infrastructure approved for the project, any costs associated with its use, and any qualifying circumstances for its use.]

By checking this box, I confirm that the critical resource(s) and infrastructure listed above are in place and usable for the start-up, implementation, and completion of the proposed project activities. If requested by the MDA or USDA, I will submit supporting documentation (e.g., copy of lease agreement, licenses, permits, picture(s) of facilities, etc.) as evidence.

Sincerely,

[Signature of Partnering Organization Authorized Representative (may be the same as the Applicant Organization Authorized Representative or a 3<sup>rd</sup> party)]  
[Printed Name of Partnering Organization Authorized Representative (may be the same as the Applicant Organization Authorized Representative or a 3<sup>rd</sup> party)]  
[Title]  
[Email, address, and phone number if not already included on letterhead.]

# Appendix B: Match Verification Letter Template

[Use Letterhead of Organization Providing the Match]  
 MATCH VERIFICATION LETTER

[Name of Applicant’s Authorized Organizational Representative]  
 [Applicant Organization]  
 [City, State]

Date: [Enter date]

Dear [Applicant Authorized Organizational Representative]:

We commit to providing the following matching funds to the 2024 Minnesota Resilient Food Systems Infrastructure grant application: [Project title].

1. **Cash** in the total amount of \$[XXX], which we will provide during the grant period [insert proposed project start date] through [insert proposed project end date].
  - a. Funds will be used for [list particular item(s) corresponding to the budget narrative or describe how the applicant will otherwise use the funds].
  - b. We will provide the following amounts per year:
    - i. Year 1: \$[XXX]
    - ii. Year 2: \$[XXX]
    - iii. Year 3: \$[XXX]
2. **In-kind contributions** in the total amount of \$[XXX], will be contributed as follows:
  - a. The fair-market value of salaries and wages of staff time provided in-kind for the following employees/individuals:

Employee/ Individual Name (add more lines as needed)	Title	Description of Duties	Base Rate (\$)/hr. or %FTE	Year 1: # of Hours or \$ Equivalent	Year 2: # of Hours or \$ Equivalent	Year 3: # of Hours or \$ Equivalent

- b. The following items/activities with a total fair-market value of \$[XXX]:

Item/Activity (add more lines as needed)	Fair Market Value per Unit	How Fair Market Value was Determined (must provide documentation)	Amount Donated Year 1:	Amount Donated Year 2:	Amount Donated Year 3:

Sincerely,  
 [Signature of Matching Organization Authorized Representative (may be the same as the Applicant Organization Authorized Representative or a 3<sup>rd</sup> party)]  
 [Printed Name of Matching Organization Authorized Representative (may be the same as the Applicant Organization Authorized Representative or a 3<sup>rd</sup> party)]  
 [Title]  
 [Email, address, and phone number if not already included on letterhead.]