



AGRI Value-Added Grant Fiscal Year 2026 Request for Proposals

Applications due by 4 p.m. on June 17, 2026

3/31/2026

Minnesota Department of Agriculture
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Grant Summary

Overview

The Minnesota Department of Agriculture (MDA) is now accepting applications for the Agricultural Growth, Research, and Innovation (AGRI) Value-Added Grant. Information about the program is available on the [Value-Added Grant Program](#) webpage.

This grant provides funding for value-added businesses (including bioenergy producers and hemp processors) to invest in equipment. The program is intended to increase sales of Minnesota agricultural products by investing in production capacity, market diversification, and market access for value-added products. For the purposes of this grant, value-added is defined as the addition of value to an agricultural product through processing.

The program is authorized under Minn. Stat. 41A.12 and funded through [Laws of Minnesota, 2025 Regular Session, Chapter 34, Article 1, Section 2, Subdivision 3\(d\)](#).

Applications will be accepted until 4 p.m. Central Time (CT) on Wednesday, June 17, 2026.

Relationship to the AGRI Meat, Poultry, Egg, and Milk Grant

The AGRI Value-Added and the Meat, Poultry, Egg, and Milk (MPEM) Grants are administered as a single program with two application tracks. Value-added businesses should use this application as it is tailored to their businesses.

The [AGRI MPEM Grant](#) is available to facilitate the start-up, modernization, or expansion of meat, poultry, egg, and milk processing businesses. The program aims to increase sales of Minnesota-raised livestock products by investing in equipment and physical improvements that support processing, capacity, market diversification, and market access.

Funding availability

Approximately \$2.25 million is available between the Value-Added and MPEM programs.

We expect to award 30 to 50 grants between the two programs using a competitive review process, but the final number depends on the size of awards.

The maximum award is \$150,000 and the minimum award is \$1,000. Although applicants may request up to \$150,000, applicants should expect that very few, if any, applicants will receive more than \$100,000.

Match requirement

The AGRI Value-Added Grant is a reimbursement grant. You must supply documentation showing payment for the full cost of the project to receive the awarded reimbursement amount. The minimum award is \$1,000 and the maximum award is \$150,000.

For the match:

- You are responsible for 50% of the first \$50,000 to receive up to a \$25,000 reimbursement.
- For costs after the first \$50,000, you are responsible for 75% of the total remaining cost to receive 25% reimbursement, up to a maximum grant award of \$150,000.

Sources of the matching funds may include cash, loans, other grants, and liquid capital assets dedicated to the project. State grant funds cannot be used as matching funds, but non-forgivable loans from the state may be used as a match.

Example:

A grantee is working on a project that is expected to cost \$400,000. The first \$50,000 of expenses will be reimbursed at 50% (up to \$25,000). After that, the grantee would be eligible for \$87,500 in grant reimbursement from the state and would have to contribute the remaining \$262,500. In total, the grantee would be eligible for \$112,500 from the state and would be responsible for the other \$287,500.

Table 1. Example \$400,000 project showing the reimbursement amount and the grantee's contribution.

Project Cost	Grant Reimbursement	Grantee Cost
First \$50,000	\$25,000	\$25,000
Remaining \$350,000	\$87,500	\$262,500
Total Cost: \$400,000	\$112,500	\$287,500

Timeline and deadlines

June 10, 2026, 4 p.m. CT.....Deadline to ask grant program questions.

June 17, 2026, 4 p.m. CT.....Applications due.

June 2026.....Phase one of the review process.

August 2026.....Phase two of the review process (pre-award risk assessments).

September 2026.....Applicants notified of decisions.

October/November 2026.....Expected project start date (after the grant contract is fully signed).

November 2029.....Latest possible project end date.

We expect most grant contract agreements to start in October/November 2026. Applicants should anticipate that grant contracts will expire on in October 2029 and may not be extended.

If selected, grantees may only incur eligible expenses after the grant contract agreement is fully executed (signed by all parties), the grant agreement has reached its effective date, and the grantee has been notified that they may begin work.

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.

The Department of Administration Office of Grants Management (OGM) rule, [OGM Policy 08-02: Rating Criteria for Competitive Grant Review \(PDF\)](#) establishes the expectation that grant programs intentionally show how the grant serves diverse populations, especially populations experiencing inequities or disparities. Applicants with projects that are led by, impact, or serve Native American Tribal communities are encouraged to apply.

The scoring criteria of this grant program include priority points for:

- Projects that increase food safety.
- Projects that increase hemp fiber processing capacity.

How to apply

Applications must be received no later than **4 p.m. CT on Wednesday, June 17, 2026**. Late applications will not be accepted.

- Apply using our [online application system](#).
 - If you're a new user, you need to create an account first. Use this [how-to guide \(PDF\)](#) to help set up your account.
 - Once logged in, select "FY26 AGRI Value-Added Grant."
 - After you have submitted your application, you will receive a confirmation email. Contact MDA.AGRIGrants@state.mn.us if you do not receive this email.
- Apply early so there is enough time to get help with the online application system if needed. It's best practice to submit your application at least 24 hours in advance.

For help using the online application system:

- Call 651-201-6500, or
- Email MDA.AGRIGrants@state.mn.us with "Value-Added Grant Online Application Help" in the subject line. We encourage reaching out for help early as we may not be able to assist with last-minute requests.

We are not responsible for any technical or logistical problems that result in a late submission. It is your responsibility as the applicant to ensure we receive your application before the deadline.

Incomplete applications will be rejected and not evaluated. Do not provide any materials that are not requested in this request for proposals (RFP); these materials will not be considered nor evaluated. The MDA reserves the right to reject any application that does not meet the requirements of this RFP.

By applying, each applicant warrants that the information provided is true, correct, and reliable for purposes of evaluation for potential grant award. The submission of inaccurate or misleading information may be grounds for disqualification from the award, as well as subject the applicant to suspension or debarment proceedings and other remedies available by law.

The applicant is responsible for all costs associated with submitting a response to this RFP.

How to submit questions

For questions on the grant program or application:

- Submit your question in writing before **4 p.m. CT, Wednesday, June 10, 2026**.
- Email MDA.AGRIGrants@state.mn.us with “Value-Added Grant” in the subject line.

The MDA will post responses to program questions on the [Questions and Answers \(Q&A\) section](#) of the Value-Added Grant Program webpage as we receive them.

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.

Application guidelines

- Use plain, easily understood language. Write for reviewers who have general knowledge but may not have a thorough or deep understanding of your organization or project.
- Answer all questions completely within the character limits specified in the grant application.
- Although some questions are labeled as optional, we strongly recommend responding to those questions or uploading the appropriate documents.
- Ensure your application is your own, a unique proposal designed to respond to the RFP. Clearly explain the importance or potential impact of your project.
- Make sure your budget is realistic, includes only eligible items, and is consistent throughout the application. Clearly explain how grant funding would be spent. Quotes are required.
- Include just one or two clear objectives rather than trying to accomplish too much. Simple projects with one or two clear objectives tend to work better.
- Review the [Project Evaluation Profile](#) included in this document as it is used to score and compare the grant applications.
- Explain how the project will be evaluated or measured for success.

Eligibility

Eligible applicants

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

- Intend to or be engaged in the processing of Minnesota agricultural products.
- Be an individual (including farmers), business, agricultural cooperative, nonprofit, educational institution, a local unit of government, or Native American Tribal government.
- Be located or reside in Minnesota and be authorized to conduct business in Minnesota.
- Meet the requirements of the [Pre-award Risk Assessment](#).

Examples of applicants:

- Fruit and vegetable processors, including Community Supported Agriculture (CSA) farms
- Honey processors
- Renewable energy producers
- Soy processors
- Consumer packaged goods (CPG) companies

MDA employees, their spouses/domestic partners, or any farms or businesses owned or principally operated by them or their spouses/domestic partners are not eligible applicants and are not eligible to receive funds from this grant program. In the application, applicants must also disclose the names and roles of any MDA employees or their spouses/domestic partners who are part of their organization's leadership, board of directors, or governing body.

Applicants should 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.

Collaboration

Eligible applicants may collaborate with value-added processors, but it's not required. If eligible organizations are submitting a joint application, they 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.

All applicants are strongly encouraged to provide letters from farmers who are directly impacted by the project.

Eligible projects and expenses

Projects must:

- Aim to increase sales of Minnesota agricultural products by increasing production capacity, diversifying markets, or increasing market access for value-added products.
- Be conducted in Minnesota.
- Not start until the grant contract is signed by all parties and has reached its start date.
- Be completed in three years or less. Contracts cannot be extended beyond three years.

Examples of eligible expenses include but are not limited to:

- Purchase and installation of equipment used in the production of value-added agricultural products
- Aquaponics systems
- Grading, packing, labeling, packaging, or sorting equipment
- Equipment that helps to maintain the identity and traceability of products
- Processing equipment or physical improvements to a value-added processing facility to reduce food safety risks
- Cooler walls and refrigeration units
- Contractor costs and materials for installation of approved equipment, including plumbing, drainage, venting, and electrical work
- Refrigerated trucks to access new markets (not routine replacement)
- Equipment that improves process efficiency at biofuel plants
- Renewable energy production equipment, particularly biothermal where the biomass is sustainably sourced from agricultural products (including biomass sourced from agroforestry)
- Purchase and installation of equipment supporting the commercialization of an innovative material additive utilizing agricultural coproducts or waste streams to produce fiber-based barrier packaging to reduce perfluoroalkyl and polyfluoroalkyl substances (PFAS) and plastics in packaging products

If the MDA accepts your proposal, the MDA will reimburse eligible costs included in the MDA-approved project budget. All work must be completed during the effective dates of the contract; invoices must clearly indicate when the item was purchased or when the service was performed. All requests for reimbursement must be documented and submitted to the MDA no later than 30 calendar days after the grant end date.

Ineligible expenses

Ineligible expenses include but are not limited to:

- Expenditures incurred before the grant contract agreement is signed by all parties and reached its start date, whichever occurs later, or those incurred after the grant contract agreement expires.
- Expenses paid for with cash.
- Gift cards or vouchers; gas cards; and other forms of pre-paid cards, vouchers, or compensation.
- Owner and employee wages and benefits.
- Construction or improvements made outside of the state of Minnesota.
- Land purchases.
- Any equipment or services, such as labor, purchased from a family member, as defined by in the [Internal Revenue Code, Section 267\(c\)\(4\)](#), including siblings, parents, grandchildren, and spouses.
- Beginning inventory costs, start-up costs, beginning working capital costs, and license fees.
- Supplies, consumables, ingredients, and items that are not reusable.
- Equipment and facilities used for agricultural plant or livestock production. Examples include watering systems, harvesting equipment, and equipment or facilities used for livestock care and feeding. This type of equipment may be eligible for the [AGRI Livestock Investment Program Grant](#).
- Construction or expansion of a restaurant or grocery store and restaurant equipment or furniture. Grocery store equipment may be eligible for a [Food Retail Improvement and Development \(FRIDG\) Grant](#).

- General operations, overhead, and indirect costs (expenses of doing business that are not readily identified with the project).
- Advertising and public relations costs.
- Donations and in-kind contributions, including property and services, made by the applicant (regardless of the recipient) or provided to the applicant by a third party.
- Fines, penalties, and other settlement expenses resulting from failure of the applicant to follow federal, state, local, or Tribal nation laws and regulations.
- Entertainment, amusement, diversion, social activities, gifts, or any costs directly associated with such purchases (such as tickets to shows or sports events, meals, lodging, rentals, transportation, alcohol, and gratuities).
- Fundraising, including financial campaigns, solicitation of gifts and bequests, and similar expenses incurred to raise capital or obtain contributions, regardless of the purpose for which the funds will be used.
- Taxes, except sales tax and tariffs on goods and services.
- Lobbyists, including costs of membership in organizations substantially engaged in lobbying, and political contributions.
- Bad debts, late payment fees, finance charges, legal costs, or contingency funds.
- Parking or traffic violations.
- Out of state transportation and travel expenses. Minnesota will be considered the home state for deciding whether travel is out of state.

Application Review Policies and Processes

Review process

Funding will be allocated through a competitive process. During the first phase of the review process, MDA staff and external reviewers evaluate all eligible applications based on the criteria and weight in the Project Evaluation Profile.

Reviewers and staff will meet and discuss the proposal and then recommend whole or partial funding to the commissioner of agriculture, who reviews the recommendations and makes the award decisions. Reviewers, staff, and the commissioner may consider geographic distribution as well as the applicant's history as a state grantee, including performance on previous grants, compliance with state rules and regulations, and capacity to perform the work. The MDA reserves the right to offer partial awards based on an assessment of the proposal, the pool of applicants, funding availability, or overall objectives of the grant program.

The timeline for the review process is listed in the [Timeline and Deadlines](#) section.

Pre-award risk assessment

During the second phase of the review process, applicants that have been advanced from the first phase of review will be contacted by MDA staff to submit any additional documentation required for the pre-award risk assessment.

The MDA is required to consider a grant applicant's past performance and financial and operational capacity before awarding grants ([MINN. STAT. 16B.981, Subd.2-5](#), [OGM Policy 08-02: Policy on Rating Criteria for Competitive Grant Review \(PDF\)](#), and [OGM Policy 08-06: Pre-award Risk Assessment of Potential Grantees \(PDF\)](#)).

All applicants' capacity to perform work related to the grant will be evaluated as part of their response to this RFP. Applicants being considered for an award may also be required to submit additional documents, such as financial reports, descriptions of internal controls, disclosure of conflicts of interest, and information about the performance on previous state grants, prior to being approved by MDA for an award. The award amount the applicant is under consideration for and the applicant type will determine what additional documentation needs to be submitted.

Applicants being considered for an award of less than \$50,000

Applicants being considered for an award of less than \$50,000 or less must submit the following:

- Certification that you or your entity have not been suspended or debarred by the State of Minnesota or with the federal government.
- Documentation that you or your entity are in good standing with the Office of the Secretary of State.
- Documentation that you or your entity are registered with the Attorney General's office and are current on annual reporting requirements, if applicable for your organization. ([MINN. STAT. 309.515](#), [309.52](#), and [309.53](#))

Applicants being considered for an award of \$50,000 or greater

Applicants being considered for an award of \$50,000 or greater will be required to submit additional documents for review and analysis by the MDA as part of the required pre-award risk assessment.

Nonprofit organizations must submit the following:

- A description of your capacity to complete the project; this may include your current staffing, project partners, current budget, and previous experience performing similar work. You will also need to provide information on any grants received from the MDA or other state agency in the last five years.
- A copy of your organization's two most recent Forms 990 or Forms 990-EZ, or audit, with the Internal Revenue Service. If your organization has not been in existence long enough or is not required to file Forms 990 or Forms 990-EZ, then you must submit the following information:
 - Proof of the organization's tax-exempt status
 - Board-reviewed financial statements for the two most recent business years; or for new organizations, actual financial statements for the periods that are available and pro forma financial projections for at least a two-year period
 - Documentation of the organization's internal controls
- The two most recent certified financial audits, if required to complete one ([MINN. STAT. 309.53, subd. 3](#)) (if the organization has received total revenue in excess of \$750,000 for the 12 months of operations covered by the statement).
- Certification that you or your entity have not been suspended or debarred by the State of Minnesota or with the federal government.

- Documentation that your organization is in good standing with the Office of the Secretary of State, registered with the Attorney General's office, and current on its annual reporting requirements, if required for your organization ([MINN. STAT. 309.515](#), [309.52](#), and [309.53](#)).
- Certification that you, your board members and staff, or anyone else with authority to access grant funds, have not been convicted of a felony financial crime in the last 10 years.

For-profit businesses must submit the following:

- A description of your capacity to complete the project; this may include your current staffing, project partners, current budget, and previous experience performing similar work. You will also need to provide information on any grants received from the MDA or other state agency in the last five years.
- A copy of the business' two most recent years of federal and state tax returns. If the business has not been in business long enough to have a tax return, then you must submit alternative documents, including documentation of internal controls.
- Financial statements, including annual balance sheets, income statements, and statements of cashflows, for the two most recent years. If the business has not been in existence long enough, financial statements for the periods that are available, and/or pro forma financial projections for at least a two-year period can be accepted.
- Certification that you or your entity have not been suspended or debarred by the State of Minnesota or with the federal government.
- Documentation that the business is in good standing with the Office of the Secretary of State.
- Certification that the business is not under bankruptcy proceedings and has disclosed any liens on assets.
- Certification that you, your board members and staff, or anyone else with authority to access grant funds, have not been convicted of a felony financial crime in the last 10 years.

Municipalities, political subdivisions, and individuals must submit the following:

- A description of your capacity to complete the project; this may include your current staffing, project partners, current budget, and previous experience performing similar work. You will also need to provide information on any grants received from the MDA or other state agency in the last five years.
- Certification that you or your entity have not been suspended or debarred by the State of Minnesota or with the federal government.
- Certification that you, your board members and staff, or anyone else with authority to access grant funds, have not been convicted of a felony financial crime in the last 10 years.

If the MDA determines that the applicant has substantial 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.

Award notice

The MDA will notify applicants, both successful and unsuccessful, in writing. Applicants may request a summary of reviewer 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 [OGM 08-01 Conflict of Interest Policy for State Grant-Making \(PDF\)](#)).

Organizational conflicts of interest occur when:

- A grantee or applicant is unable or potentially unable to 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 in question or disclosed, the applicant(s) or grantee(s) will be notified and actions may be pursued, including but not limited to, revising the grant work plan or grantee duties to mitigate the risk, requesting the grant applicant to submit an organizational conflict of interest mitigation plan, disqualification from eligibility for the grant award, amending the grant, or termination of the grant contract agreement.

Grantees may generally not purchase goods and services from staff, board members, businesses owned/operated by staff or board members, or other individuals with whom they have an actual, potential, or perceived conflict of interest. If grantees want to consider any of these individuals/organizations when making purchases, they must submit a conflict-of-interest disclosure and mitigation plan to the MDA for pre-approval. The plan must address how any conflicts of interest will be mitigated, including a plan for selecting vendors that includes meaningful involvement from non-board/staff members.

Grantees may not purchase goods or services from MDA employees, their spouses/domestic partners, or any farms or businesses owned or principally operated by them or their spouses/domestic partners.

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 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 of Minnesota, 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

Grant award agreement

Each grantee must formally enter into a grant contract agreement with the MDA. The grant contract agreement will address the conditions of the award, including implementation for the project. Grant contract agreement templates are available for review on the [OGM Forms and FAQs webpage](#). The MDA reserves the right to adjust these templates.

Upon approval of an application and before beginning work on the grant project and incurring any grant expenses, the applicant selected for a grant award must:

- Complete an IRS W-9 form and register as a vendor in SWIFT, the state's accounting system, or confirm that the information in SWIFT is correct.
- If required, submit other documentation and certifications within 15 calendar days of award notification.
- Read and sign a grant contract agreement within 30 calendar days of being sent to the grantee. Failure to sign the contract within 30 calendar days may result in the award being rescinded.

You cannot begin work on grant activities or incur any grant expenses until a fully executed grant contract agreement is in place and you have been notified by the State's Authorized Representative that work may start. A fully executed grant contract agreement is one that has been signed by all parties and reached its start date, whichever is later. You must comply with the conditions and of the grant contract agreement, and you will be legally responsible for assuring implementation of the grantee duties and compliance with all applicable state requirements including worker's compensation insurance, nondiscrimination, data privacy, budget compliance, and reporting.

Some changes may become necessary during your project. Changes that alter the scope, objectives, outcomes, key personnel or staff time devoted to the project, work plan, or budget may require approval from the MDA and may require an amendment to the grant contract agreement.

Accountability and reporting

It is the policy of the State of Minnesota to monitor progress on state grants by requiring grantees to submit written progress reports at least annually until all grant funds have been expended and all of the terms in the grant contract agreement have been met. Annual reports are needed to help us determine the long-term impacts of the grant program and to comply with statutory requirements. Annual reports will be sent out in the fall of 2027-2029. A final report must be submitted prior to receiving final payment.

The MDA reserves the right to modify reporting requirements throughout the grant. Grant payments will not be made on grants with past-due progress reports unless the MDA has given the grantee a written extension.

Failure to regularly report, respond to surveys, and promptly respond to information requests may impact the grantee's ability to secure future funding from the MDA or other state agencies.

Information submitted in any report is a public record. If the grantee considers any information in the report to be trade secret, the grantee may request that the trade secret information be kept confidential and must specifically label that information. The MDA will notify the grantee if a public records request is made for the information claimed as protected by the grantee.

Monitoring

The MDA monitors grantees to ensure that work is progressing within the required time frame, to collect data on outcomes, determine if financial procedures are followed accurately and appropriately, and/or verify purchases made with grant funds. The MDA will perform a financial reconciliation of at least one payment on

grants greater than \$25,000 and will require the submission and review of cost documentation showing proof of purchase and payment described in the Payments section. Financial reconciliation may be performed on additional payment requests at the discretion of the MDA.

The MDA performs at least one monitoring visit for all grantees with awards greater than \$25,000 before approving final payment. Other grantees may receive monitoring visits at the discretion of the MDA. Monitoring visits are typically done in-person at the project site but may also be done via phone or video conferencing (sometimes called “desk audits”) and may include review and discussion of financial and program information.

Payments

Grant funds are disbursed on a reimbursement basis. All requests for reimbursement must correspond to the approved grant budget and tied to documented progress on the approved project. The MDA will review each request for reimbursement against the approved grant budget, grant expenditures to-date, and the latest grant progress report before approving payment.

Typically, reimbursement requests will need to include two types of proof for each expense: proof of purchase (e.g., invoices, itemized receipts, etc.) and proof of payment (e.g., cleared checks, credit card statements, bank statements, etc.). Ineligible items and their cost must be clearly delineated in the proof of purchase. The MDA will review the submitted documents, and any additional documentation requested by the grant administrator must be submitted by the grantee before the MDA provides the reimbursement. Additional details can be found in the [MDA Reimbursement Guide \(PDF\)](#).

Matching contributions will require the same cost documentation as other expenses being reimbursed by grant funds.

Grant payments will not be made on grants with past-due progress reports or if required documentation related to the invoice or financial reconciliation is missing, unless the MDA has given the grantee a written extension.

All requests for reimbursement must be submitted to the MDA no later than 30 calendar days after the grant end date.

The MDA may, at its discretion, hold back the final 10% of each grant award until the grantee demonstrates completion of their objectives described in their proposal, including completion of reporting, unless otherwise approved by the MDA. The MDA may request that grantees who have not completed the objectives described in their proposal at the completion of the performance period return any grant funds.

Grant payments may be used to fulfill federal and state tax liabilities or may be withheld until the grantee has paid any tax liabilities ([MINN. STAT. 270C.65, subd. 3](#) and other applicable laws).

Contract and bidding requirements

All grantees must follow the State’s bidding requirements when buying supplies or services based on their entity type and the size of the purchase.

Nongovernmental entities

Grantees that are nongovernmental entities, including businesses, nonprofits, and individuals, must use these guidelines:

- Any services and/or materials that are expected to cost \$100,000 or more must use a formal notice and bidding process.
- Services and/or materials that are expected to cost between \$25,000 and \$99,999 must be competitively awarded based on a minimum of three verbal quotes or bids or be awarded to a targeted vendor.
- Services and/or materials that are expected to cost between \$10,000 and \$24,999 must be competitively awarded based on a minimum of two verbal quotes or bids or be awarded to a targeted vendor.
- The grantee must take all necessary affirmative steps to assure that targeted vendors from businesses with active certifications through these entities are used when possible:
 - [Office of State Procurement – Targeted Group, Economically Disadvantaged, and Veteran-Owned Vendor List](#)
 - [Metropolitan Council Underutilized Business \(MCUB\) Program Directory](#)
 - [Central Certification \(CERT\) Directory](#)
- The grantee must maintain written standards of conduct covering conflicts of interest and governing the actions of its employees engaged in the selection, award, and administration of contracts.
- The grantee must maintain support documentation of the purchasing or bidding process used to contract services in their financial records, including support documentation justifying a single source bid, if applicable.
- Notwithstanding the above, the MDA may waive bidding process requirements when:
 - Vendors included in the response to a competitive grant request for proposal process were approved and incorporated as an approved work plan for the grant; or
 - It is determined there is only one reasonably able and available source for such materials or services and that the grantee has established a fair and reasonable price.
- The grantee and any subrecipients/subcontractors must comply with prevailing wage rules, as applicable ([MINN. STAT. 177.41](#) through [MINN. STAT. 177.50](#)).
- The grantee and any subrecipients/subcontractors must not contract with vendors who are suspended or debarred by the State of Minnesota or the federal government (see [Suspended and Debarred Vendors, Minnesota Office of State Procurement](#) and [System for Award Management \(SAM.gov\)](#)).

Political subdivisions or municipalities

Grantees that are political subdivisions or municipalities must use these guidelines:

- Municipalities are required to comply with the Uniform Municipal Contracting Law ([MINN. STAT. 471.345](#)).
- The grantee must maintain written standards of conduct covering conflicts of interest and governing the actions of its employees for the selection, award, and administration of contracts.

- The grantee must maintain support documentation of the purchasing or bidding process used to contract services in their financial records, including support documentation justifying a single source bid, if applicable.
- The grantee and any subrecipients/subcontractors must comply with prevailing wage rules, as applicable ([MINN. STAT. 177.41](#) through [MINN. STAT. 177.50](#)).
- Municipalities and any subrecipients/subcontractors must not contract with vendors who are suspended or debarred by the State of Minnesota or the federal government (See [Suspended and Debarred Vendors, Minnesota Office of State Procurement](#)) and [System for Award Management \(SAM.gov\)](#).

Grantee website and publicity

All grant projects must publicly credit the MDA funding in all public communications, presentations and printed materials and include that information on the grantee's website. Additionally, grantees with a website must clearly post on their website the names and contact information for the grantee's leadership and the employee(s) or other person(s) who directly manages and oversees the grant contract agreement on behalf of the grantee (the authorized representative). ([MINN. STAT. 16B.98, subd. 5 \(d\)](#))

Audits and record retention

The grantee's books, records, documents, and accounting procedures and practices of the grantee or other party that are relevant to the grant or transaction are subject to examination by the Commissioner of Administration, the State granting agency, the State Auditor, the Attorney General, and the Legislative 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, receipt, and approval of all final reports, or the required period of time to satisfy all state and program retention requirements, whichever is later.

Grantees are responsible for the retention of documents and records relevant to their grants. Grantees should maintain a project file containing copies of all invoices, receipts, proofs of payment, reimbursement requests, important correspondence with the MDA, progress reports, and any other documents associated with the project. Upon request by the State, the grantee shall produce a legible copy of the records saved in their project file.

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](#).

Voter registration requirement

The grantee will provide voter registration services for its employees and for the public served by the grantee ([MINN. STAT. 201.162](#)).

Grantee evaluation

Prior to the closeout of the grant, the MDA will evaluate the performance of all grantees. The evaluation will include the purpose of the grant; the amount provided to the grantee; information about the grantee's timeliness, quality, and overall performance in meeting the terms and objectives of the grant; if the grant was terminated; and any concerns with grantee's use of State funds. Evaluations of grantee performance for grant contract agreements of \$25,000 or more must be provided by the MDA to the Minnesota Department of Administration ([MINN. STAT. 16B.98, subd. 12](#)). Evaluations are considered public data ([MINN. STAT. 13.599](#)).

Right of Cancellation

This RFP does not obligate the MDA to award any grant(s). The State reserves the right to cancel this solicitation if it is considered to be in its best interest. The State reserves the right to negotiate modifications to the application or to reject any and all applications received as a result of this Request for Proposals. The State does not intend to award a grant contract agreement solely on the basis of any response made to this request or pay for information solicited or obtained.

AGRI Background and Program Goals

The Agricultural Growth, Research, and Innovation Program (AGRI) was established to advance Minnesota's agricultural and renewable energy industries ([MINN. STAT. 41A.12](#)). AGRI has made significant economic impacts by increasing productivity, improving efficiency, and assisting the development of agricultural products. The primary goal of the AGRI Value-Added Grant is to increase sales of Minnesota agricultural products by investing in production capacity, market diversification, and market access for value-added products.

Project Evaluation Profile

Evaluation criteria	Maximum score
Project addresses goals of the AGRI Value-Added Grant	Yes or No
Business readiness, financial sustainability, and experience - Applicant demonstrates sound business management, financial aptitude, and stability. - Applicant describes the financial benefit of doing the grant project.	25
Impact on Minnesota agriculture - Plan to increase processing of Minnesota agricultural products is achievable. - Expected amount of Minnesota agricultural product processing capacity is realistic. - Project meaningfully adds resiliency in the supply chain. - Impact is appropriate for the size of the budget request.	25
Priority areas - Applicant clearly and compellingly describes how the project contributes to a food safety plan or increases food safety. - Project will increase hemp fiber processing capacity.	15
Measurable outcomes - Objectives of project are measurable and clearly stated. - Applicant describes how the project will achieve objectives of the grant program and benefit the business.	10
Project plan – workplan and timeline - Workplan is thorough and realistic. - A detailed description of each step of the grant project is provided with estimated dates.	10
Budget narrative and match - Budget clearly details all project costs. - Budget estimates are clearly based on vendor quotes and market research. - Budget clearly explains source and amount of applicant’s funds (cash match). - Budget is cost effective and planned purchases are backed by quotes (strongly encouraged) and other sources (optional).	15
Total	100

Application Questions

Contact information

Type of applicant

Indicate the type of applicant that is applying:

- Individual
- Nonprofit organization
- For-profit organization
- City/county/state government entity
- Tribal nation or government entity
- Other

Applicant information

- Point of contact name
- Point of contact telephone
- Point of contact email
- Organization name
- Organization mailing address
- Organization county
- Organization telephone
- Organization email
- Minnesota State House District (Use the [District Finder](#) if you don't know your district.)

Authorized representative

- If awarded a grant, is the person authorized to sign contracts on behalf of the organization the same as the Point of Contact person listed above? (Yes or No)
- If no, please provide the following Authorized Representative information for signing any resulting grant contract agreement:
 - Name
 - Telephone
 - Email

Eligibility

Confirm the following statements. You must respond "True" to all the statements to be eligible to apply for this grant. If your project is recommended for phase two of the review process, you will need to sign a certification for these statements.

- The applicant is not suspended or debarred by the State of Minnesota or the federal government. (True or False)
- The applicant is registered and in good standing with the Minnesota Secretary of State (SOS) or is not required to maintain a registration with the SOS. You can verify that you are registered and in good standing by searching for your entity's name on the [SOS website](#).) (True or False)
- The applicant's current board members or staff with authority to access grant funds have not been convicted of a felony financial crime in the last 10 years. A principal is defined as a public official, a board member, or staff (paid or volunteer) with the authority to access funds provided by this grant opportunity or to determine how those funds are used. (True or False).
- The applicant does not owe the State of Minnesota any back taxes and has not defaulted on any State of Minnesota backed financing in the last seven years. (True or False)
- The applicant is compliant with current state and federal regulations. (True or False)
- The applicant is not an MDA employee, spouse or domestic partner of an MDA employee, or a farm or business principally owned by one of them. (True or False).
- Does the applicant's leadership, board of directors, or governing body include any MDA employees or their spouses/domestic partners, or is the applicant a State of Minnesota employee, spouse or domestic partner of a State of Minnesota employee, or a farm or business principally owned by one of them? (Yes or No)
 - If yes, list their name(s) and role(s) in your organization.

Organization eligibility

- Is the applicant a nonprofit organization, for-profit business, or some other type of entity?
 - Nonprofit organization
 - For-profit business
 - Another type of entity, such as an individual, local unit of government, or Tribal government
- If you selected nonprofit organization: The applicant is registered with the Minnesota Attorney General's Office and is current on its annual reporting requirements or is exempt from the registration requirement. See [MINN. STAT. 309.515](#) for more information on registration exemptions. You can verify that you are registered and have an active status by searching for your entity's name on the [Attorney General's Office website](#).) (True or False)
- If you selected for-profit business: The applicant is not under bankruptcy proceedings. (True or False)
- If you selected for-profit business: The applicant will disclose any liens on assets, if required as part of the pre-award risk assessment. (True or False)

Attestations

Attest to the following statements. You must respond "Yes" to all the statements to apply for this grant. If your project is recommended for phase two of the review process, you will need to sign a certification for some of these statements.

- I attest that I have the authority to apply for this grant. (Yes or No)
- I attest that all information supplied in this application is true, correct, and reliable to the best of my knowledge. (Yes or No)
- I attest and understand that the submission of inaccurate or misleading information may be grounds for disqualification from the grant contract agreement award and may subject me and my organization to suspension or debarment proceedings, as well as other remedies available to the State, by law. (Yes or No)
- I attest that the supporting documentation for the claims and assertions made within this application is available to the Minnesota Department of Agriculture for its review. (Yes or No)
- I attest and understand that the submission of additional documents, as described in the RFP, may be required as part of the pre-award risk assessment if my project is recommended for phase two of the review process. (Yes or No)
- I attest that work has not started on the proposed project, and we will not begin work before the grant contract agreement is signed by all parties and has reached its start date, whichever is later. The MDA is unable to reimburse for any work that is performed prior to the effective start date of the grant contract agreement. (Yes or No)

Previous State of Minnesota grants

- Have you been awarded any grant from the State of Minnesota in the past five years? (Yes or No)
 - If yes, provide the details of the award amount(s), the duties, and the outcomes of the grant(s). (1,000 characters, including spaces)

Project summary

Grant request

- Project name (Organization name, summary title for project)
 - Example: ABC Cidery, Bottling Expansion
- Total project cost (Grant + match)
- Total grant request (Maximum \$150,000, minimum \$1,000)
- Total matching amount (The first \$25,000 requires a 50% match; afterwards a 75% match.)
- Expected project start date
 - Must be after the grant contract agreement is executed (signed by all parties and reached its start date, whichever is later). You may not incur any project expenses before your grant contract agreement is executed.
 - Award notification will be in September, and contracts should be signed in October/November.
- Expected project end date
 - Contracts may last a full three years from start date.
 - All items and services must be purchased by the end date of the contract and be paid in full before requesting reimbursement.
 - You will have up to 60 days after your contract end date to submit for a reimbursement.

Project description

- Provide a brief description of your project outlining what you plan to purchase and why. Limit your description to three sentences. The summary of this proposed project must be suitable for dissemination to the public. (500 characters, including spaces)

Business readiness and financial sustainability

Organization summary

- Provide a summary of your organization (2,000 characters, including spaces). The summary should stand alone to describe:
 - The mission and goals of your organization.
 - The services and products provided by your organization.
 - The ownership and leadership of your organization.
- Provide a summary of your organization's capacity (2,000 characters, including spaces)
 - Describe your organization's capacity to manage the grant, if received.
 - Describe your history of performing the work that will be funded by the grant.
- Describe any other relevant information such as key personnel, current budget, past grant experience, or internal financial policies or controls to demonstrate your organization's capacity to manage the grant.

Licensing and regulations

- Are you operating with a Minnesota Department of Agriculture (MDA), Minnesota Department of Health (MDH), Tribal, city, or county food license?
 - If yes, what is your licensing agency, license number, and your inspector name, if applicable? (500 characters, including spaces)
- Are you operating as a registered Minnesota Cottage Food Producer (under the cottage food licensing exemption)?
 - If yes, what is your cottage food registration number? (500 characters, including spaces)
- Are you operating under the product of the farm licensing exclusion? This means processing your own farmed/raised products with no added off-farm ingredients). (Yes or No)
- If these types of licenses do not apply to your organization, or if you are unsure of the type of licensing or the applicable regulations for your organization, provide an explanation. (1,000 characters, including spaces)

Business plan summary

- Provide a summary of your business plan. (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 business plan and how this project will financially benefit your organization.

Business plan submission

- If you're requesting a grant of \$100,000 or more, you must submit your full business plan. This is optional if you are requesting less than \$100,000.
 - Redact confidential information and trade secrets included in your business plan.

(Optional) Business readiness letters

- Submit letters of support written by:
 - Financial or business contacts that can attest to your organization's sound business management, financial aptitude, and stability.
 - Contacts in your value-added profession or previous co-workers who can verify you have the experience or skills necessary to successfully complete the project.

Impact on Minnesota agriculture

Increasing sales

- Describe how this project plans to increase the sales of Minnesota agricultural products. Compare the total dollar value of Minnesota agricultural products used by your business between January 1, 2025 and December 31, 2025, to an estimate of the total dollar value of sales of Minnesota agricultural products in the first calendar year after your project is complete. (2,000 characters, including spaces)
- Estimate how this project will impact your gross revenue. (2,000 characters, including spaces)

Sources of Minnesota agricultural products

- List your current or anticipated sources of Minnesota agricultural products, and the estimated amount by year. (2,000 characters, including spaces)

Examples: Vista Acres Cattle, New Ulm, MN (2025 – 50 beef); Happy Hogs Processing, Inc., Thief River Falls, MN (2025 – 1,500 pork bellies); dairy farmers, SE Minnesota (2025 – 15,000 cwt, 20 producers); Blueberry Grower, Cambridge (2025 – 50 pounds)

Market outlets

- Estimate the number of market outlets used by your organization between January 1, 2025 and December 31, 2025. (2,000 characters, including spaces)

Examples of market outlets include wholesale distributors, direct-to-consumer channels, retail stores, and farmers' markets.

Market expansion and diversification

- Describe how the project plans to diversify markets and increase market access. (2,000 characters, including spaces)
 - If you expect to increase the number or types of market outlets from this project, estimate the increase(s) and explain how the project will achieve these goals.

Example: In 2025, we sold to 10 schools and with the grant we expect to be able to sell to 20 schools.

Priority areas

- Does your project improve food safety? (Yes or No)
 - If yes, describe how it improves food safety. (500 characters, including spaces)
- Does your project increase hemp fiber processing capacity? (Yes or No)
 - If yes, describe how it increases hemp fiber processing capacity. (500 characters, including spaces)

Measuring outcomes

- Describe how you plan to measure the outcomes of your project including impact on your organization, increased sales of Minnesota agricultural products, and number of market outlets. (1,000 characters, including spaces)

(Optional) Agricultural impact letters

- Submit letters of support written by:
 - Current or potential sources of Minnesota grown products
 - Current or potential buyers expressing support for the project
 - Organizations citing the potential of your project to impact many farmers

Project plan

Workplan and timeline

Complete the following table. You should include the steps you will take to complete your project. For example, you might include target dates for requesting quotes, installing and testing equipment, and full launch of the equipment.

Example:

Timeframe	Description of task or action item	Person responsible
July 2027	Order cooler	Store owner
August 2027	Update electrical system	Electrician
September 2027	Install cooler	Contractor

Optional: If there is not enough space in the table provided in the application, you may upload a work plan as an Excel or Word file using the same format as above.

Budget narrative and match

Budget table

Complete the following table. Please follow the example format below.

Example:

Item	Quantity	Cost per unit	Total estimate	Source of estimate
Pasteurizer	1	\$15,000	\$15,000	Cheesy Equipment Dealers
Contractor Hours	50	\$100	\$5,000	Cheese Marketers Association
Total	-	-	\$20,000	-

Budget narrative

- Justify your budget and explain how you plan to pay for your project. (2,000 characters, including spaces)
 - Explain how each equipment or service in the budget table will help you process more Minnesota agricultural products into value-added products or diversify or expand your market outlets.
 - Explain how you plan to pay for your project (financing, other grants, private investment, personal investment, or organization funds, etc.). Other state grant funds cannot be used to provide the funding used to pay for this project, but non-forgivable loans from the state may be used as a match.

(Optional, but strongly encouraged) Quotes or estimates

- Submit quotes or estimates from businesses for the equipment or services listed in your budget. We strongly suggest including quotes or estimates for any equipment or work over \$10,000.

(Optional) Additional documents showing project costs and ability to pay for project

- Submit documents such as:
 - Letters of commitment written by financial institutions or other organizations that will be providing funding through loans or credit
 - Letters from banks demonstrating sufficient cash available to fund your project