Fiscal Year 2027 Local Tots Cost-Share Summary

To participate in this cost-share program, interested providers must submit an online Letter of Intent by 4 p.m. on Thursday, October 15, 2026.

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Cost-Share Program Summary

Overview

The Fiscal Year (FY) 2027 Agricultural Growth, Research, and Innovation (AGRI) Farm to Kids Program is offering the Local Tots Cost-Share program to support family child care providers (family day care homes) that want to buy and serve more foods grown or raised in Minnesota. This cost-share will reimburse providers for their purchases of foods grown or raised in Minnesota as a part of Child and Adult Care Food Program (CACFP) meals and snacks.

Early childhood education (ECE) centers are not eligible for this cost-share program; they should consider applying for the AGRI Farm to Kids **"First Bite"** or **"Full Tray"** grants.

Funding availability

We expect to allocate approximately $250,000 to the Local Tots Cost-Share program. We anticipate that Local Tots Cost-Share awards will be approximately $1,000 per provider, but the final amount depends on the total number of family child care providers that submit a Letter of Intent.

Participants may incur and be reimbursed for eligible food expenses from January 1, 2027, through December 31, 2027.

Match requirement

There is no match requirement for participants who are **new** to the Local Tots Cost-Share program. 100% of eligible purchases may be reimbursed.

For family daycare homes that have participated in the Local Tots Cost-Share program, there is a 1:1 cash match required. The MDA will reimburse 50% of the participant's eligible food expenses submitted. For example, if a participant receives a $1,000 award, the participant must spend at least $2,000 on eligible foods grown or raised in Minnesota.

- Donated and in-kind contributions cannot be counted towards the cash match requirement.
- Costs incurred prior to January 1, 2027, are not eligible as a match. This includes any costs for which there is an obligation before January 1, 2027. Examples of "obligations to pay" for goods or services include purchase orders, retainer agreements, sales orders, and any transactions creating an invoice.

You must provide documentation for the total project cost to receive the awarded reimbursement amount.

How to submit your Letter of Intent

Family child care providers must submit an online Letter of Intent by **4 p.m. Central Time (CT) on Thursday, October 15, 2026**, to be considered for funding.

- **Register as an individual payee or supplier** with [Minnesota's SWIFT system] if you do not already have an account, or verify the information in your account is accurate. This is the State of Minnesota's financial system that allows the MDA to make payments to you. More information about SWIFT and instructions are provided in the SWIFT Vendor Registration Guidance section at the end of this summary.
- Submit a Letter of Intent for the Local Tots Cost-Share program using our online application system (Foundant).
    - 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 you're logged in, select "FY 2027 Local Tots Cost Share," complete the online Letter of Intent, and submit.
        - You will need to provide information to verify your CACFP participation including your CACFP site ID, CACFP Sponsor organization and your CACFP Sponsor ID.
        - You will need to provide your SWIFT vendor ID and vendor name with your Letter of Intent.
- We will not accept late Letters of Intent.
    - Submit early so that there is enough time to get help with the online application system. It's best practice to submit your Letter of Intent at least 24 hours in advance of the deadline.
    - We are not responsible for any technical or logistical problems that result in a late submission. It's your responsibility to ensure we receive your Letter of Intent before the deadline.

Letters of intent that are started in the online application system but are not submitted will not be evaluated. Do not provide any materials that are not requested in this Cost-Share Summary; 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 Cost-Share Summary.

By applying, each applicant warrants that the information provided is true, correct, and reliable for purposes of evaluation for potential cost-share 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.

All costs incurred in responding to this cost-share will be borne by the applicant.

How to submit questions

For questions on the cost-share program or Letter of Intent process:

- Submit your question in writing before **4 p.m. CT on October 8, 2026**.
- Email f2sgrants.mda@state.mn.us with "Local Tots Cost Share" in the subject line.

We will post answers to frequently asked questions on the Questions and Answers section of the Local Tots Cost Share webpage.

Timeline and deadlines

October 15, 2026, 4 p.m. CT............................Letters of intent due.

December 2026..Providers notified of eligibility and award amounts.

January 1, 2027 to December 31, 2027...............Period when participants can make eligible food purchases.

Eligibility

Eligible participants

Family child care providers in Minnesota that participate in CACFP are eligible to submit a Letter of Intent for the Local Tots Cost Share.

- For purposes of this cost-share program, a family child care provider (family day care home) is defined as an organized child care program for children, generally 12 years of age or younger, operated in a private residential home, and licensed to provide care in Minnesota.

Family child care providers must be an active CACFP operator at the time of submitting the Letter of Intent and must remain active throughout the cost-share period.

Eligible expenses

This cost-share program reimburses participants for purchases of foods grown or raised in Minnesota that are used for CACFP meals or snacks. Eligible food items can be purchased from various venues, including:

- Direct from a Minnesota farm or farmer, including a Community Support Agriculture (CSA) share.
- A Minnesota farmers' market.
    - Note: Some farmers at Minnesota farmers' markets may be from bordering states; foods grown or raised in another state are not eligible.
- A retail setting.
    - Note: If purchasing eligible items from a retail setting, documentation from the store that identifies the farm(s) and location(s) of the farm is required.

Respondents are encouraged to buy a wide range of Minnesota agricultural products and foods for this program, including culturally relevant foods and specialty crops. Specialty crops include fruits, vegetables, tree nuts, dried fruits, culinary herbs and spices, and horticulture products such as maple syrup and honey. The Minnesota Grown Directory is a great tool to help you find local farms, farmers' markets, or CSAs near you that may sell eligible food items.

Eligible food items include whole (unprocessed), minimally processed, and processed items that meet the following criteria.

- **Whole (unprocessed) or minimally processed foods** that are at least 80% grown or raised in Minnesota and retain their inherent character. Eligible unprocessed or minimally processed items may include but are not limited to:
    - Fruits
    - Vegetables
    - Herbs
    - Meat, fish, and poultry
    - Dairy (excluding fluid milk)
    - Eggs
    - Legumes
    - Grains
    - Maple syrup and honey

- **Processed foods** with at least one primary ingredient (excluding water) that is 80% grown or raised in Minnesota. **Note: Processed food items will need to be approved by MDA grant staff as Minnesota-eligible food purchases.** Examples of processed food items include:
    - Hot dogs
    - Tofu
    - Bread
    - Tortillas
    - Pre-made smoothies
    - Granola

The following processing methods are allowable and considered unprocessed or minimally processed: cooling; refrigerating; freezing; size adjustment made by peeling, slicing, dicing, cutting, chopping, shucking, and grinding; forming ground products into patties without any additives or fillers; drying or dehydration; washing; packaging (such as placing eggs in cartons), vacuum packing, and bagging (such as placing vegetables in bags or combining two or more types of vegetables or fruits in a single package); the addition of ascorbic acid or other preservatives to prevent oxidation of produce; butchering livestock and poultry; and cleaning fish.

All foods must maintain source preservation such that the origin of the local ingredient is identifiable. To receive reimbursement when buying food through an intermediary vendor like a distributor, food hub, or farmers' market, or when buying processed food products, identification of origin farm (farm name and location) must be included on submitted invoices or provided with reimbursement materials, unless the product is on the MDA's Verified Local Food List. Grantees may be required by MDA staff to submit additional documentation from the producer attesting that the product meets the 80% Minnesota-grown requirement.

Invoices must clearly indicate when the item was purchased. All items must be purchased by the end date of the cost-share and be paid in full before requesting reimbursement.

Ineligible expenses

The following items are examples of expenses that are not eligible for reimbursement:

- Fluid milk.
- Produce grown in home, school, or college/university gardens or farms.
- Agricultural products that have been donated, including items that were donated to a third party.
- Items grown or produced in a state other than Minnesota, including foods grown in a bordering state. and sourced through a Minnesota farmers' market, food hub, or distributor.
- Items bought for any meal or snack program outside of CACFP.
- Processed food products that do not contain a primary ingredient grown or raised in Minnesota and whose production technique is outside the scope of the required source preservation.
- Seeds, starter plants, and other garden equipment.
- Food preparation equipment or supplies.
- Staff time for procurement, other food preparation, and related Farm to Kids planning.

Letter of Intent Verification Process

Verification process

MDA staff and leadership will review all Letters of Intent to verify eligibility, completeness, and appropriateness, and may consider other factors, including the participant's compliance with state rules and regulations. The Commissioner of Agriculture is responsible for award decisions.

Conflicts of interest

State policy requires that steps and procedures are in place to prevent individual and organizational conflicts of interest. Organizational conflicts of interest occur when:

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

Examples of conflicts of interest would be a daycare buying food from a farm owned by the family or buying equipment from a business also owned by daycare's owners.

In cases where a conflict of interest is suspected, disclosed, or discovered, the respondent(s) or recipient(s) will be notified and actions may be pursued, including but not limited to, requesting recipient submit a conflict of interest mitigation plan for MDA's review, disqualification from eligibility for the grant award, or termination of the grant contract agreement.

Recipients may generally not purchase items and services from staff, board members, farms owned/operated by staff or board members, or other individuals with whom they have an actual, potential, or perceived conflict of interest. If recipients want to consider any of these individuals/organizations when making purchases, they must contact 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.

Recipients may not purchase items 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.

Award notice

The MDA will notify respondents, both successful and unsuccessful, in writing.

Privacy notice and data classification

The information provided as part of the Local Tots Cost-Share program Letter of Intent will be used to assess the respondent's eligibility to receive payment under this program, and to fulfill applicable financial reporting requirements. The decision to respond to this cost-share program is voluntary, and respondents are not legally required to provide any of the requested information. Respondents may decline to complete this Letter of Intent without any legal consequence. However, only complete Letters of Intent will be considered for a grant; incomplete submissions will not be considered.

Data provided to respond to this cost-share program is initially classified by the Minnesota Government Data Practices Act as private or nonpublic, although some or all of the data will generally become public unless the data are otherwise classified not public 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.

All persons, businesses, and individuals applying for funding from the state of Minnesota must comply with applicable laws. Under the law titled Right of Setoff (MINN. STAT. 270C.65, subd. 3), a recipient 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.

Payments

Eligible expenses may only be incurred between January 1, 2027, and December 31, 2027. Final reimbursements must be submitted by February 28, 2028.

Cost-share funds are dispersed on a reimbursement basis. To receive reimbursement for purchases of foods grown or raised in Minnesota, you must submit the following documents for each expense:

- Reimbursement worksheet provided by the MDA
- Proof of purchase (e.g., invoices, itemized receipts)
- Proof of payment (e.g., cleared checks, bank and credit card statement)
- Origin farm name and location for each eligible item.

The MDA cannot reimburse expenses paid for in cash.

We encourage providers to submit one reimbursement request once all funds have been spent, but we will work with providers to meet their needs. The total amount of reimbursements will not exceed the amount listed in your award letter.

Record retention and audits

Family childcare providers that receive a Local Tots Cost-Share award are responsible for the retention of documents and records relevant the program. Recipients of the cost-share funds should maintain a 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 of Minnesota, the recipient of funds must produce a legible copy of the records saved to their files. This requirement will last for a minimum of six years.

Right of Cancellation

This cost-share summary does not obligate the MDA to award any cost-share funds. The State reserves the right to cancel this cost-share summary if it is considered to be in the best interest of the program, agency, or the State of Minnesota. The State also reserves the right to negotiate modifications to the Letter of Intent or to reject any and all Letters of Intent received as a result of this cost-share summary. The State does not intend to award any cost-share funds solely on the basis of any response made to this summary or pay for information solicited or obtained.

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 AGRI Local Tots Cost-Share program supports licensed family child care providers that want to purchase and serve Minnesota-grown or -raised foods as a part of a federally funded meal or snack through CACFP.

Letter of Intent Questions

This section lists the questions you'll be answering in our online system.

Contact information

Provider information

- Name of business
- Sponsor ID
- Sponsor/Org Name
- Site ID
- Site Name
- Department of Human Services (DHS) license number
- SWIFT vendor ID number
- SWIFT vendor name under which you are doing business
- Number of children in your care

Primary contact

- Primary contact name (first and last name)
- Primary contact title
- Primary contact telephone number
- Primary contact email
- Primary contact mailing address

Additional information

- Cost-share funds requested (maximum $1,000)
- Cost-share description (500 characters, including spaces)
    - Provide a brief description of how you plan to spend your Local Tots Cost-Share funding. Include the name of your organization. Limit your description to three sentences. This description may be shared with the public through press releases, the MDA website, legislative reports, and other publications.
    - Example: Mini-Sota Daycare will use Local Tots Cost-Share funds to have a Minnesota-grown breakfast every month with Minnesota-grown eggs, fruit, and maple syrup for the pancakes made with Minnesota-grown flour. The kids will be exposed to different kinds of local agricultural products while enjoying a delicious meal! We plan to purchase eggs from Sunny Side Up Farm in Farmville, MN and the other ingredients from the Farmville Farmers' Market.
- What types of eligible food items do you plan to purchase using these cost-share funds? Check all that apply.
    - Fruits
    - Vegetables
    - Herbs
    - Meat, fish, poultry
    - Dairy (excluding fluid milk)
    - Eggs
    - Legumes
    - Grains
    - Honey, maple syrup
    - Other
- Where do you plan to purchase eligible food items from? Check all that apply.
    - Community Supported Agriculture (CSA) share
    - Direct from farm
    - Farmers' market
    - Retail
    - Other
- How did you hear about the Local Tots Cost-Share? Check all that apply:
    - CACFP sponsor
    - MDA website
    - Notification from another organization (please list)
    - Word of mouth
    - Other

Eligibility

Confirm the following statements. You must respond "True" to all the statements to be eligible to submit this Letter of Intent.

- 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 of the 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 is not an MDA employee, spouse or domestic partner of an employee, or a business principally owned by one of them. (True or False)

State of Minnesota employees

- 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 part 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 the applicant's organization.

Attestations

Attest to the following statements. You must respond "Yes" to all the statements to submit your Letter of Intent.

- 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 MDA for its review. (Yes or No)
- As required by the law on grants management (MINN. STAT. 16B.98, subd.8), I attest that I agree to keep all related records and receipts and make them available to the MDA, State Auditor, or Legislative Auditor for a minimum of six years. (Yes or No)
- I attest that I have read and agree to the Privacy Notice (included in the FY 2027 Local Tots Cost-Share Summary document). (Yes or No)

SWIFT Vendor Registration Guidance

What is a SWIFT vendor account?

- This is an account for the state of Minnesota's financial system that allows us to make payments to you. SWIFT stands for StateWide Integrated Financial Tools.

Do you already have a SWIFT vendor ID number?

- You can check by trying to sign into the supplier portal. If you've received a cost share, grant, or other payments from the MDA or another state agency before, you likely already have a SWIFT vendor ID number. The helpline below can assist you if you did not receive or cannot remember your account information.

How do you create a SWIFT vendor ID number if you don't already have one?

- Before the MDA makes a payment to you, you need to set up an account at the online Minnesota Supplier Portal. You may register as an individual payee or register your entity (e.g., child care business) as a supplier. You should register the same individual or entity that submitted the application for the grant.
- Minnesota Management and Budget offers SWIFT vendor resources including helpful step-by-step instructions on how to register as a payee (PDF) or register as a supplier (PDF).
- Signing up for electronic funds transfer (EFT) when you create your account can help you receive your reimbursement faster, because that will allow for direct deposit of funds rather than a mailed check.
- It can be easy to make mistakes in the SWIFT system (and it's easier to do things right from the start rather than make changes later)! Please take some time to look at the resources and reach out to SWIFT staff below if you need assistance. They are very helpful!

Who do I contact for help with SWIFT?

Minnesota Management & Budget – EFT Helpline
efthelpline.mmb@state.mn.us
Phone: 651-201-8106
Fax: 651-797-1305