

# Agriculture Value Added/Regional Food Systems Grant Program

## Program Overview

The Michigan Department of Agriculture and Rural Development (MDARD) is offering a grant opportunity that will promote and enhance Michigan's \$91.4 billion agriculture industry. Proposals for the competitive grant program also known as the "Value Added/Regional Food Systems Grant Program" will be accepted through **July 31, 2012 at 3pm EST**.

This Request for Proposals ("RFP") is issued by the Michigan Department of Agriculture and Rural Development, Office of Agriculture Development (OAD). The OAD will remain the main point of contact throughout the proposal process. All communications concerning this RFP should be sent to [mda-grants@michigan.gov](mailto:mda-grants@michigan.gov).

The Michigan Department of Agriculture and Rural Development will accept proposals intended to establish, retain, expand, attract and/or develop value added agricultural processing and/or develop regional food systems by enhancing or facilitating aggregation and distribution of Michigan grown agricultural products.

- Applicants must provide a minimum of (10%) ten percent in cash matching funds
- In-kind contributions will not be counted as part of the required match
- Regional collaboration is encouraged
- This is a cost reimbursement grant program
- Grants will be awarded at a minimum amount of \$20,000 and a maximum amount of \$200,000
- Only one proposal per applicant will be considered
- These grant dollars can be used to leverage additional funds (ie., Federal funds)
- Successful proposals will be funded only on the amount requested. MDARD will not adjust budgets or only partially fund proposals.

## Eligible entities

- **Agricultural Cooperative:** A group-owned or member-owned entity or business that provides, offers, or sells agricultural products or services for the mutual benefit of the members thereof.
- **Producer Network:** A producer group- or member-owned organization or business that provides, offers, or sells agricultural products or services through a common distribution system for the mutual benefit of the members thereof.

- **Producer Associations:** An organization or other business that assists, serves, or represents producers or a producer network.
- **Local Government:** Any unit of local government within a State, including a county, borough, municipality, city, town, township, parish, local public authority, special district, school district, intrastate district, council of governments, and any other instrumentality of local government.
- **Nonprofit Corporation:** Any organization or institution defined by Michigan Public Act 162 of 1982.
- **Business Entities:** An organization as defined by Michigan Public Act 23 of 1993, who is in good standing with the state of Michigan and whose primary function involves the production, processing or marketing of Michigan grown agricultural products.
- **Economic Development Organizations:** An organization whose mission is the improvement, maintenance, development and/or marketing or promotion of a specific geographic area.
- **Regional Farmers Market Authority:** An entity that establishes and enforces regional, State, or county policies and jurisdiction over State, regional, or county farmers markets.

Activities appropriate for the Value Added/Regional Food Systems Grants include, but are not limited to, the following:

**1. Technical Assistance**

- A. Increasing farmer revenue, production and efficiency, or reducing expenses
- B. Providing transportation and delivery systems for agricultural products
- C. Implementing approved food safety and handling techniques

**2. Marketing**

- A. Enhancing product value and sales
- B. Increasing direct marketing of agricultural commodities
- C. Identifying and implementing vendors and/or direct markets to provide citizens access to Michigan agricultural products

**3. Equipment and Innovation**

- A. Identifying and responding to consumer trends and/or changing ethnic demographics, and their relationship to customer purchasing patterns
- B. Improving infrastructure of an existing facility
- C. The improvement of electronic systems, value-added processing and packaging, and refrigerator and freezer capacity
- D. Assisting in the implementation of facility planning and/or design (i.e. new technology, new equipment)
- E. Implementing green/renewable technology
- F. Implementing and developing waste management/recycling systems as it relates to agriculture or agricultural products

**4. Training and Outreach**

- A. Providing consumer education that addresses new food and agricultural products, and product applications with an emphasis on the assessment, evaluation, and impact of such education on consumer patronage at eligible markets/entities
- B. Training, technical assistance, educational (including distance learning), business marketing
- C. Recruitment programs for new, existing and transitioning farmers including minority, women, immigrant, and transitioning farmers
- D. Establishment of healthy, direct-market, food outlets
- E. Enhance the utilization of locally grown products by potential institutional purchasers

Value Added/Regional Food System funds **cannot** be used to pay for the acquisition of land or the purchase, construction, or structural repair of a building or facility.

MDARD reserves the right, at its sole discretion, to reject an application if it:

- ✓ Does not meet the mandates including scope, eligibility, and allowable grant fund use
- ✓ Is received after the deadline
- ✓ Is incomplete or missing any of the required forms, narrative and supplemental budget
- ✓ Does not follow the outlined application requirements

Additionally, an application will be rejected (after submission or prior to award) if information comes to MDARD's attention that:

- ✓ It has been determined an organization is ineligible for an award
- ✓ The application is materially misleading or incorrect
- ✓ Indicates fraud or mismanagement of Federal or state funds by the organization

### **Project Length**

All projects should not exceed 15 months in length. Project work will begin November 2012 and end January 31, 2014. Work plans should be outlined as such in the proposal.

### **Proposal Narrative Format**

The narrative portion of the project proposal, including the supplemental budget summary, must not exceed 12 pages. Please submit the proposal and any attachments as a word document. Please include any pictures, estimates, documentation, etc. in the email. Photos, letters of support, etcetera do not count towards the 12-page limit. **All applications must be submitted by the deadline to mda-grants@michigan.gov.**

MDARD WILL NOT ACCEPT PROPOSALS RECEIVED AFTER THE DEADLINE DATE AND TIME. THERE WILL BE **NO** EXCEPTIONS.

## **Scoring**

Projects will be scored on a variety of factors, including, but not limited to: a well-defined and focused project; overall impact of the project on the community. See the scoring sheet for details.

MDARD will convene an evaluation committee comprised of individuals with an interest in and knowledge about Michigan agriculture, food systems and value added agriculture. The committee will score proposals and recommendations will be made to the MDARD Director who will make the final determination on awards.

## **Other Details**

- Community investment as well as job retention or creation is not required, but projects that lead to the creation and retention of jobs will score more favorably
- Projects must be completed by January 31, 2014
- The project will be subject to audit by the State who may review the adequacy of the financial management/reporting system during or at any time subsequent to the award
- Funding decisions are final and made on the basis of one round of competition and the level of funding available
- Letters of support for the project from the community, industry and others are encouraged but not required. Please attach any letters with your application.

In order to expedite the application review process, the narrative must be organized under the following headings:

1. **Project Title:** Must capture the primary focus of the project, and match the title provided on Form A (budget form).

2. **Requested Value Added Regional Food Systems Grant Program Funding and Matching Funds:** Indicate the dollar amount (use whole dollar amounts only, do not use cents) requested from MDARD. Do not include match funding from other sources in the "Requested Funding" section.

3. **Other Grant Programs:** Indicate if the proposal has been or will be submitted to Federal or other grant program(s), and if so, please identify that grant program(s).

4. **Executive Summary:** Should not exceed 200 words and must include the following: a project description, goals to be accomplished, stages of work and resources required, expected timeframe for completing all tasks and results. This summary of the proposed project must also be suitable for dissemination to the public.

5. **Background Statement:** Provide specific information affecting your project(s). Describe past, current, and future events, conditions, or actions taken that justify the need for the project. Correlate the background and purpose of the activity to support your particular project issue. Additionally, describe your relationship to

the agricultural community, the demand for this project and how this project will impact the agricultural community/region.

**6. Work plan:** Provide a timeline and a planned scope of work, including anticipated stages (benchmarks) and the resources required to complete each activity. Identify who will do the work, whether collaborative arrangements or subcontractors will be used, the resource commitments of the collaborators, and the role(s) and responsibilities of each collaborator or project partner. Indicate in-kind and volunteer work, and whether matching or other funding is being provided.

**7. Expected Outcomes and Project Evaluation:** Describe what is to be accomplished, the expected results, and how success will be measured at the completion of the project. Developing and documenting the baseline, benchmarks, outputs/activities, and anticipated outcomes/results will be helpful in providing performance measures as the project moves forward. This information will also be necessary for required performance reports and evidence of final project impact for the final performance report.

**8. Beneficiaries:** Identify the individuals, organizations, and/or entities that will benefit from the project outcome and how they will benefit. Describe your efforts at community outreach and identify individuals, organizations or entities that will benefit from the projected outcome. Why is this project important?

**9. Budget Narrative:** Provide justification for your budget proposal that is outlined in Form A. Please include sources and amounts of match dollars and any in-kind funding. The budget narrative must include the following categories (if applicable to project) and a budget narrative that provides justification for such budget categories and items:

- **Personnel/Contractual:** List the individual and/or contractor's name and title and the general categories of services the person/contractor cost will cover (e.g., project manager). Show annual/hourly rates and estimated number of hours to be spent on the project by each project participant. In the budget narrative:
  - A. Indicate the duties of each individual and correlate those duties to the purpose/goals of the project.
  - B. For contractors, indicate if the expense represents a flat fee or an hourly rate. List the general categories of services the contract covers (e.g., professional services, travel, lodging, administrative expenses, etc.).
  - C. Proof must be provided of the customary charges for such services rendered, based on the individual's qualifications.
  - D. **Travel:** Itemize the details and purpose of each trip and the anticipated travel expenses. List each expense separately including: (1) the name of each person traveling, (2) purpose, location and date(s), (3) number and duration of trips, (7) number of miles, and (8) lodging and meals (as applicable). Mileage rates include gas costs and therefore MDARD will not recognize additional gas expenses as allowable. Include specific details about the travel expenses in the budget narrative.
  - E. **Equipment:** Indicate anticipated purchases of equipment. List separately each item of equipment, its cost and use. Equipment means any tangible,

nonexpendable, personal property, including exempt property charged directly to the grant. In the budget narrative, provide the basis of the cost estimate (e.g. price analyses, vendor quotes) for each piece of equipment and its correlation to the purpose and goals of the project to justify your need for the equipment to be purchased.

- F. **Supplies:** Provide an estimate of projected supply expenditures. Please list each item separately, its cost and use. Supplies means any tangible, personal property other than equipment (as defined above), excluding debt instruments and inventions. In the budget narrative, provide the basis of the cost estimate (e.g. price analyses, vendor quotes) for each supply item being requested and its correlation to the purpose and goals of the project to justify your need for the supplies to be purchased.
- G. **Other:** Provide in sufficient detail an itemized list of projected expenditures, their cost and use. Other items mean any item not fitting into the personnel, contractual, equipment, travel, and supplies categories explained above (e.g., rentals). In the budget narrative, provide the basis of the cost estimate (e.g. price analysis, vendor quotes) for each item being requested and its correlation to the purpose/goals of the project to justify your need.

**Indirect Costs:** Are **not** allowable under this grant program. Indirect costs are defined as the expenses of doing business that are not readily identified within the project, but are necessary for the general operation of the organization and the implementation proposal related activities. These costs benefit more than one cost objective and cannot be readily identified with a particular final cost objective without effort disproportionate to the results achieved.

**It is anticipated that all grantees will comply with reporting requirements outlined in the grant agreement. Failure to comply with those requirements may cause forfeiture of any or all grant monies.**