



MONTANA DEPARTMENT OF
AGRICULTURE

RESILIENT FOOD SYSTEMS INFRASTRUCTURE PROGRAM

Equipment Only Grant

FEDERAL FISCAL YEAR 2024 FUNDING CYCLE

Full Proposal Due Date:

June 3, 2024, 5:00 p.m. MST

Contact:

RFSI Program Manager
Montana Department of Agriculture
Phone: (406) 444-0248
E-mail: RFSI@MT.GOV

STAKEHOLDER INPUT: The Montana Department of Agriculture seeks your comments about this Grant Proposal Manual. We will consider the comments when we develop the next Manual for the Resilient Food Systems Initiative. Submit written stakeholder comments via e-mail to: rfsi@mt.gov. In your comments, please state that you are responding to the Federal fiscal year (FFY) 2024 Resilient Food Systems Initiative Grant Proposal Manual.

PROGRAM SOLICITATION INFORMATION

Funding Opportunity Title: Resilient Food Systems Infrastructure Program Cooperative Agreements

Funding Opportunity Number: USDA-AMS-TM-RFSI-C-23-0001

Funding Authorization: Section 1001(b)(4) of the American Rescue Plan (ARP) Act of 2021 (Pub. L. 117—2), as amended, authorizes the United States Department of Agriculture (USDA), to make grants and agreements to maintain and improve food and agricultural supply chain resiliency.

Application Submission: All applications must be submitted via the [Webgrants](#) system. Applicants are highly encouraged to [create an account](#) early in the application process to ensure that they receive all updates on the funding opportunity.

Equipment Only Grants:

Awards under this Request for Proposals are for Simplified Equipment-Only Projects. These projects offer a simplified application to fund grants between \$10,000 and \$100,000 for equipment purchases. The Simplified Equipment-Only option is a Fixed Price Grant, meaning it will fund only equipment purchases (and not associated facility upgrades, staffing, or other costs), and the amount awarded will be equal to the cost of the equipment up to \$100,000. No match is required for this grant type.

Applicants must attach documentation to substantiate the costs of each piece of equipment, which can include contracts, catalog pricing, or binding quotes provided by license commercial entities.

Eligible Entities:

Entities eligible for Grants made by states will be:

- Agricultural producers or processors, or groups of agricultural producers and processors
- Nonprofit organizations operating middle-of-the-supply-chain activities such as processing, aggregation, distribution of targeted agricultural products
- For-profit entities operating middle-of-the-supply-chain activities such as processing, aggregation, or distribution of targeted agricultural products, whose activities are primarily focused for the benefit of local and regional producers, and that meet the eligibility requirements of the SBA small business size standards are eligible.
 - For-profit entities must meet the eligibility requirements of the SBA small business size standards matched to industries described in the North American Industry Classification System (NAICS). For more information on these size standards, please visit [SBA's Size Standards webpage](#). For a quick check on whether your business qualifies, please use the [Size Standards Tool](#).
- Local government entities operating middle-of-the-supply-chain activities such as processing, aggregation, distribution of targeted agricultural products
- Tribal governments operating middle-of-the-supply-chain activities such as processing, aggregation, distribution of targeted agricultural products.
- Institutions such as schools, universities, or hospitals bringing producers together to establish cooperative or shared infrastructure or invest in equipment that will benefit multiple producers

middle-of-the-supply-chain activities such as processing, aggregation, distribution of targeted agricultural product.

All applicant businesses and organizations must be domestically owned, and applicants’ facilities must be physically located within the 50 States of the United States, the Commonwealth of Puerto Rico, the District of Columbia, the U.S. Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.

Available Funding: Approximately **\$1 million** in American Rescue Plan funding is available for this program. The **minimum award amount is \$10,000** and **maximum award amount is \$100,000**. MDA expects to make multiple awards from this funding. No matching funds are required for these grants.

CRITICAL DATES

Date	Time*	Event	Venue
April 15, 2024	5:00 PM	Post Notice of Funding	MDA Website
April 25, 2024	10:00 AM	Technical Assistance #1	Zoom Call**
May 20, 2024	11:00 AM	Technical Assistance #2	Zoom Call**
June 3, 2024	5:00 PM	Applications Due to MDA	Webgrants
TBD-Summer 2024		Award Announcement	MT Dept. of Ag
Feb 28, 2027	5:00 PM	Last day to Complete Project Activities	
March 31, 2027	5:00 PM	Final Reporting and Request for Payment Due	Webgrants
April 30, 2027	5:00 PM	Final Grant Closeout Date	Webgrants

*All times in Mountain Standard Time

**Call information will be posted on the [MDA website](#)

Program Goals: The overall goal of RFSI is to create more and better processing options for local and regional producers across the specialty crops, dairy, grain (for food), and other sectors (i.e., non- meat and poultry sectors) by targeting gaps and opportunities in the pandemic assistance, Food Systems Transformation (FST) programs, and existing USDA grant programs that support the agricultural supply chain.

AMS encourages applications that benefit Small and Underserved Business Owners, Historically Underserved Farmers or Ranchers or for other businesses that qualify under the Small Business Administration (SBA) categories of Small Disadvantaged Business, Women Owned Small Business, and Veteran-Owned Small Businesses. For projects intending to serve these entities, applicants should engage and involve those beneficiaries when developing projects and applications.

In all programs and initiatives, USDA promotes climate-resilient landscapes and rural economic systems, including tools to support agriculture, forests, grazing lands, and rural communities. AMS encourages applicants to consider including goals and activities related to mitigating and adapting to climate change in their project’s design and implementation.

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FUNDING OPPORTUNITY

PURPOSE

The purpose of the Resilient Food Systems Infrastructure Program (RFSI) is to assist U.S. states and territories (States) to build resilience in the middle-of-the-supply-chain and strengthen local and regional food systems by creating new revenue streams for their state's producers. MDA will make grants in the form of Grants to middle-of-the-supply businesses to create more diverse local and regional market options and create more economic opportunities for communities, allowing them to retain more of the value chain dollar. RFSI investments aim to create a food systems infrastructure to support competitive and profitable market access for domestic farm products.

RFSI serves as an important component of USDA's framework to transform the food system to benefit consumers, producers, and rural communities by providing more options, increasing access, and creating new, more, and better markets for small and mid-size producers. The pandemic and recent supply chain disruptions have revealed the perils of a national food system that depends on capacity concentrated in a few geographic areas and requires many steps to get from farm to fork. To be more resilient, the food system of the future needs to be more diversified, distributed, and local.

RFSI addresses this need by targeting crucial parts of the agricultural supply chain to address gaps in existing pandemic assistance, Food Systems Transformation (FST) programs, and other USDA programs. The primary goal of RFSI is to support food system crops and products meant for human consumption (excluding meat and poultry products, which are funded through other USDA programs).

The program also aims to:

- Support development of value-added products available to consumers;
- Support proposals that provide fair prices, fair wages and new and safe job opportunities that keep profits in rural communities; and
- Increase diversity in processing options in terms of business model approaches, geography, and availability to underserved communities.

This program is also aligned with efforts to:

- Ensure equitable access to USDA programs and benefits from USDA-funded projects and support the policies of Executive Order 13985 (Executive Order on Advancing Racial Equity and Support for Underserved Communities Through the Federal Government).
- Contribute to the resilience of the food and agricultural supply chains through support for diversified, value-added agriculture and support the policies of Executive Order 14017 (Executive Order on America's Supply Chains).
- Promote competition in the food system and support the policies of Executive Order 14036 (Executive Order on Promoting Competition in the American Economy).
- Implement the Build America, Buy America (BABA) Act. [Guidance on BABA requirements for USDA award recipients is available here.](#)

TARGET LOCAL AND REGIONAL AGRICULTURAL PRODUCTS

RFSI is intended to serve middle-of-the-supply-chain needs to add value and provide more, new, and better markets for locally or regionally produced food. This program is to support food system crops and products meant for human consumption (**excluding meat and poultry products**, which are funded through other USDA programs).

Ineligible products include: meat and poultry, wild-caught seafood, exclusively animal feed and forage products, fiber, landscaping products, tobacco, or dietary supplements.

PROGRAM DESCRIPTION

MDA will use the funds to make competitive Equipment Grants (i.e., subawards) for projects to expand capacity for the aggregation, processing, manufacturing, transporting, wholesaling, or distribution of targeted local and regional agricultural products.

Equipment Grants must be used for the purpose of expanding middle-of-the-food-supply-chain capacity for locally and regionally produced foods and offer more and better market opportunities and new streams of revenue to small and mid-sized agricultural producers, including those who may not have access to value-added opportunities or processing to meet market demand for premium or value-added products, such as underserved producers.

The RFSI program will focus on funding Equipment Grant activities that:

- Expand capacity for processing, aggregation and distribution of agricultural products to create more and better markets for producers;
- Modernize manufacturing, tracking, storage, and information technology systems;
- Enhance worker safety through adoption of new technologies or investment in equipment or facility improvements;
- Improve the capacity of entities to comply with federal, state, and local food safety requirements;
- Improve operations through training opportunities;
- Modernize processing and manufacturing equipment; and
- Develop, customize, or install equipment that reduces greenhouse gas emissions, increases efficiency in water use, improves air and/or water quality, and/or meets one or more of USDA's climate action goals.

Special Consideration will be given to Grant applications that benefit the following:

- Underserved farmers and ranchers;
- New and beginning farmers or ranchers;
- Veteran producers;
- Processors and other middle-of-the-supply businesses owned by socially disadvantaged individuals, as defined by the Small Business Administration (SBA).

Consideration will be given to Grants that:

- Offer family-supporting job quality and treatment/safety of workers;
- Focus on small and medium-sized enterprises that add options and choices for consumers and producers (emphasis on value-added);
- Demonstrate local support for the project;

- Support underserved communities; and
- Are submitted by cooperatives, farmer- and worker-owned enterprises.

PRIORITIES:

The following priorities have been adopted by the state of Montana for the RFSI Program:

- Supporting the uptake of technology to increase production and add product lines for agriculture products
- Investing in business capacity to place products in consumer markets.
- Building cold storage capacity throughout the state
- Expanding food distribution lines in underserved areas of the state

PROJECTS ELIGIBLE FOR FUNDING

A project is a set of interrelated tasks with a cohesive, distinct, specified, and defined goal. It follows a planned, organized approach over a fixed period and within specific limitations (cost, performance/quality, etc.). Additionally, it uses resources that are specifically allocated to the work of the project and usually involves a team of people.

Projects are different from other ongoing operations in an organization because, unlike operations, projects have a limited duration with a definitive beginning and end. A project will also have an overarching goal that the applicant wants to accomplish through a series of individual activities or tasks.

Examples include:

- Modernizing equipment through upgrades, or retooling; (e.g., adapting product lines for institutional procurement or adding parallel processing capacity);
- Purchase and installation of specialized equipment, such as processing components, sorting equipment, packing and labeling equipment, or delivery vehicles;
- Modernizing manufacturing, tracking, storage, and information technology systems;
- Enhancing worker safety through adoption of new technologies or investment in equipment or facility improvements;
- Increasing packaging and labeling capacities that meet compliance requirements under applicable laws (e.g. sealing, bagging, boxing, labeling, conveying, and product moving equipment);
- Develop, customize or install climate-smart equipment that reduces greenhouse gas emissions, increases efficiency in water use, improves air and/or water quality, and/or meets one or more of USDA's climate action goals;
- Modernize equipment or facilities to ensure food safety, including associated Hazard, Analysis, and Critical Control Points (HACCP) consultation, plan development and employee training

Allowable activities or tasks that could be a part of such projects may include:

- Purchasing special purpose equipment: This includes the purchase of special purpose equipment for institutions or others that will benefit multiple producers through middle-of-the-supply-chain activities such as processing, aggregation, distribution of targeted agricultural product;

ACTIVITIES NOT ELIGIBLE FOR FUNDING

The following activities are not eligible for funding:

- Acquiring real property (including land purchases), or any interest therein;
- Projects focused on meat and poultry processing or other ineligible agricultural products;
- Activities that have received a Federal award from another Federal award program;
- Claim expenses that have been or will be reimbursed under any Federal, State, or local government funding; and
- Projects which have already received funding from another federal grant or subaward programs may not receive funding for the same activities. However, Grants may build on the successes of prior funding, such as the USDA Regional Food Business Centers Business Builder subawards, to fund subsequent activities.

ALLOWABLE AND UNALLOWABLE COSTS AND ACTIVITIES

All awards are subject to the terms and conditions, cost principles, and other considerations described in the General Terms and Conditions posted on the [RFSI Webpage](#).

- Funds may not be used for the following:
 - Pay costs that have been or will be reimbursed by a third party;
 - Pay costs incurred prior to the date the Agreement is executed unless prior approval is granted;
 - Pay costs that support or oppose union organizing;
 - Pay costs associated with conducting research and development;
 - Pay costs or allow for current market value of property and equipment as eligible total project costs that only support existing processing capacity for a facility; or,
 - Support an application (project) that has a proposed period of performance longer than 48 months.

Applicants that have questions concerning the allowability of costs after reviewing this document should contact MDA staff.

EQUIPMENT ONLY

Applicants may request more than one piece of equipment as long they are allowable, allocable, and reasonable, align with the scope of the project, and collectivity meet the funding amount requirements.

Equipment for the purposes of this program are not restricted to those items costing over \$5,000. As long as the total cost of the project remains between \$10,000 and \$100,000 and expenses are eligible there is no cost restriction on individual purchases.

APPLICATION REVIEW AND SELECTION

Montana Department of Agriculture endeavors to create a fair and impartial process when selecting RFSI applications for award. Reviewers are provided conflict of interest forms, to ensure transparency towards an equitable process. Applications are competitively ranked, and merit-based, as detailed in the application request for proposal. Records are kept for each evaluated application and are available to the public on request. A risk assessment is completed for every award made; this determines the level of grant management required during the life of the grant. Finally, with the approval of the Director, award and non-award notices are delivered via email; follow up correspondence is available to discuss the decision as requested.

APPLICATION PROCESS

SECRETARY OF STATE REGISTRATION

To be eligible to receive funding, the applying entity must be registered with the Montana Secretary of State's office (www.sos.mt.gov). If your business is not registered, we encourage you to begin that process prior to submitting an application.

UEI NUMBER

In order to receive an award all applying entities (as defined in [2 CFR Part 25, subpart C](#)) must provide a Unique Entity Identifier (UEI) number. A UEI can be obtained for free through SAM.gov at <https://sam.gov/content/home>.

FULL APPLICATION

There are five pieces to the full application:

1. The applicant must complete and upload the **Equipment Grant Proposal Template** (Appendix A). The document will be available in [Webgrants](#) and must be uploaded in that system for submission.
2. Evidence of Critical Infrastructure Letter (Appendix B). Applicants must submit evidence that critical resources and infrastructure necessary to support the initiation and completion of a project are in place. Land, structures, and other critical resources must be in place and in working condition at the time of application submission. The letter must indicate the critical resources that are necessary for initiation and completion of the project and certify that they are in place and committed prior to the start date of the project.
3. Complete and upload the Financials Template (Appendix C) on [Webgrants](#).
 - a. For assistance on financials, applicants are encouraged to contact their regional FADC foodandag.mt.gov.
4. Applicant Self Assessment (Appendix D) Complete this form to inform staff of your organizations financial capacity to manage federal grant funds. Answers will determine eligibility to qualify for funding and the extent to which special conditions may be applied (such as reporting frequency, site visits, etc.) should a grant be awarded.
5. Documentation of Expenses - Applicants must attach documentation to substantiate the costs of each piece of equipment, which can include contracts, catalog pricing, or binding quotes provided by license commercial entities.

COMPETITIVE REVIEW PROCESS

SCREENING

For each application screening will be conducted to determine proposal's compliance with state and federal standards by MDA staff. MDA's Internal Screening Team reviews proposals according to the items in the Screening Criteria below.

SCREENING CRITERIA

- Are all required materials included in the application?
- Are all sections of the proposal complete?
- Is the applicant's organization eligible to apply?
- Are the applicant and listed contractors eligible to receive federal funds (not suspended or debarred)?

- Is the application in compliance with applicable federal and state regulations and in alignment with this notice?
- If a current grantee of the Department, is the applicant funded at 1.0 FTE or less?
- If a current grantee of the Department, are all current project invoicing and reporting periods current?
- If a previous grantee of the Department, has the organization successfully completed past projects?
- Does the proposed project build resilience across the middle-of-the-food-supply-chain?

If the screening team answers no to any of the above questions the application will be removed from competition.

SCREENING RESULTS

Grant Proposals passing Screening will proceed to Evaluation. Grant Proposals that do not pass screening will not receive further consideration for an award. Neither the Screening Team, nor MDA is required to recommend funding a project that does not sufficiently satisfy the screening criteria.

The RFSI Program Manager will notify all applicants of the results of the screening process within 30 days of the application due date. Applicants may protest the screening decision of a rejected proposal as described in the [Request for Reconsideration](#) section of this manual.

The second step in the funding decision process is Evaluation.

EVALUATION

REVIEWERS

MDA will send applications that pass screening to reviewers. Review will be conducted by a subset of the Steering Committee from the Montana Regional Food Business Center program. This Committee consists of a group of statewide experts on food production, processing, and sales.

CONFLICT OF INTEREST

Individuals selected to review RFSI applications are responsible for notifying MDA staff of any potential conflict of interest, real or apparent, with any applicant requesting funding. MDA Legal staff will review all disclosed conflicts of interest to determine whether a conflict of interest exists. If a conflict exists, the reviewer will be recused from participating in the decision process on the conflicted application. Reviewers will disclose any conflict of interest and certify that they are otherwise free from any conflict of interest.

EVALUATION CRITERIA

Each of the below categories will be scored using the below matrix as reference.

Scoring #	Funding Priority	Description
1 - 2	Low	Shows significant deficiencies. Does not demonstrate a need for the project or does not provide a compelling plan to address a need. Does not show the ability to execute the proposed plan.
3 - 4	Medium	Demonstrates a need and a plan to address the need. Responds to all questions.
5 - 6	High	Illustrates and meets a compelling need in the State and demonstrates the ability to execute a high-quality project.

Basic Business Considerations:

- Does the applicant address knowledge of the industry and barriers that may exist?
- Does the applicant demonstrate basic understanding of the laws and regulations of the business considered?
 - Land, lease, rail access issues addressed as applicable.
 - Food safety and/or certification requirements. (HACCP, GAP)
 - Contacted County Sanitarian, Department of Livestock, Department of Environmental Quality, as applicable.
- Are all necessary agreements in place? If not, is there a reasonable plan to secure within a timeframe to allow the project to move forward as scheduled?

Level of Impact to local and regional Agriculture relative to investment:

- Did applicant address the level of impact on agriculture from their project?
- Does the applicant, or will they, process or add value to raw products?
- Relative amount of value added to agriculture products as a result of the proposed project:
 - Example – project using 10 lbs of produce would likely be less impactful than a project using 10,000 lbs of Montana-grown produce.
 - Example – project using 1,000 lbs of barley requesting \$10,000 would likely be more impactful than a project using 1,000 lbs of barley requesting \$50,000.

Level of Economic Impact relatively sufficient for level of investment:

- Did applicant address the level of economic impact of their project?
- Projected level of income for owners and employees.
- Project will be significantly profitable within a few years.
- Amount of hard assets/infrastructure placed in the state.
- Has project received program funding previously? If yes:
 - Did previously funded project create jobs and agricultural impact as projected?
 - Was prior reporting completed in a timely manner?
 - Was prior repayment timely if applicable?
 - Is new project going to significantly create additional economic impact?

Potential for the proposed activity to provide for agricultural/economic development success:

- Stage of planning/business life cycle sufficient for immediate investment
- Project has the prospects for commercial success given current personnel, experience, and resources of the applicant:
 - Are financial projections and key financial assumptions well prepared?
 - Are projections positive & reasonable?
 - Sales projections reasonable and profitable?
 - Provide reasonable financial benefit to owners to ensure active engagement in project and ongoing business entity?
- Project readiness to proceed immediately upon notification of award. (proper licenses, trained staff, and various permits already in place for example)
- Project has the management structure to allow the Agriculture Development Council to reasonably conclude that the applicant will comply with ongoing reporting, and monitoring activities.

Innovation/Project Originality:

- Does project assist the development of:
 - Innovative agricultural business?
 - Organizational improvements?
 - The commercialization and marketing of new agricultural products?

Other Considerations:

- What impact would the project have on the local community & greater geographic region?
 - A project in a small rural community may be more impactful than the same project in a larger community.
- Local participation and commitment demonstrated?
- Will the project positively impact an underserved community in the state?

The third step in the funding decision process is review and recommendation by the MDA Director.

DIRECTOR'S RECOMMENDATION

The MDA Director (or their designee) will make all final decisions on which applications are submitted to USDA. In making their decision, the Director will utilize the reviewer's ranking of applications, the funding priorities identified in this packet and any other materials the Director may deem pertinent.

RFSI Program Manager will notify all Applicants of the results of the Evaluation process and inclusion in the Director's decision within 120 days of the application due date.

USDA-AMS APPROVAL

Applications selected by the Director for submission will be sent to USDA-AMS for final review. USDA-AMS will conduct a review to ensure proposals meet the statutory purpose of the program, are in accordance with regulations and costs are allowable. USDA-AMS may require additional information from Applicants at this time; failure to provide the requested information in a timely manner may result in loss of funding.

Once all administrative and programmatic issues have been resolved, USDA-AMS will notify MDA and the RFSI Program Manager will notify Applicants of the results. MDA anticipates that grant awards and notifications will be made Spring/Summer 2024.

The last step in the funding process is a formal grant contract agreement.

GRANT AGREEMENT

Once official notification of award is received from USDA-AMS, MDA staff will supply each grantee with a contract formalizing the relationship under which the project will be conducted. Grantees must sign and return the contract to MDA before funds can be drawn on the project. In signing the contract, the grantee agrees to complete the project as described in the final proposal accepted by USDA-AMS, which will include any agreed upon revisions between the grantee, MDA and USDA-AMS.

EVIDENCE OF CRITICAL INFRASTRUCTURE

Evidence of Critical Infrastructure is required if critical resources and/or infrastructure are necessary for the completion of the proposed Grant project. Applicants must submit evidence (in MS Word or PDF) that critical resources and infrastructure necessary to support the initiation and completion of a project are in place. Land, structures, and other critical resources must be in place and in working condition at the time of application submission. The letter must indicate the critical resources that are necessary for initiation

and completion of the project and certify that they are in place and committed prior to the start date of the project. Applicants must use the Evidence of Critical Resources and Infrastructure Template Letter posted on Webgrants.

SUPPLANTING

The funds awarded through this program must increase, expand, or replace, and not duplicate, existing activities of the applicant.

GRANT PROPOSAL PACKET REQUIREMENTS

Applicants must adhere to the instructions in this manual to be eligible for grant funds. Grant Proposals must be submitted in their entirety. Applications should not contain any materials not requested in this packet.

REPORTING REQUIREMENTS

Reporting and award closeout requirements are included in the General Terms and Conditions posted on the [RFSI Webpage](#). If there are any program or award-specific award terms, they will be identified in the award.

ACKNOWLEDGEMENT OF SUPPORT

Proper acknowledgement of your funding in published solicitations, presentations, press releases, and other communications is critical for the success of our agency's programs. Grant recipients must meet the acknowledgement requirements outlined in the General Terms and Conditions posted on the [RFSI Webpage](#).

AGENCY CONTACT

RFSI Program Manager
Montana Department of Agriculture
Phone: (406) 444-0248
E-mail: RFSI@MT.GOV

AVAILABLE RESOURCES

MDA provides resources and information on the [Resilient Food Systems Infrastructure Program \(RFSI\) website](#) that may be helpful.

DEFINITIONS

Beginning Farmer or Rancher is an individual or entity that has not operated a farm or ranch for more than 10 years and substantially participates in the operation.

Cooperatives: A business or service organization (1) that is owned and democratically controlled by the people who use its services and (2) whose benefits (services received and earnings allocations) are distributed to the user-owners based on how much they use the cooperative.

Critical Resources: Critical resources and infrastructure can be facilities, land, structure, use of city street/parks, shared-used kitchen, and/or other resources that are essential for the proposed project activities.

Domestically Owned: An entity organized in the United States under the law of the State, the states, or under Tribal jurisdiction where the entity operates, and a majority of the entity is owned by US citizens.

Food Access Considerations: Distinct cultural markets, marginalized communities, or defined by USDA as low-income low access.

Hazard Analysis and Critical Control Points (HACCP): HACCP provides a framework for establishments to conduct science-based process controls that can be validated as effective in eliminating, preventing, or reducing to an acceptable level the food safety hazards that are reasonably likely to occur in an official establishment's particular production processes.

Historically Underserved Farmer or Rancher: Four groups are defined by USDA as "Historically Underserved," including farmers or ranchers who are: Beginning; Socially Disadvantaged; Veterans; and Limited Resource as described at "[Historically Underserved Farmers and Ranchers](#)" | [Natural Resources Conservation Service \(usda.gov\)](#).

Infrastructure Grant recipients: RFSI subaward recipients who are awarded Infrastructure Grants by the Lead State Agency, who is the primary recipient.

Institutions: These include organizations such schools (K-12; colleges/universities), hospitals, food banks, gleaners, food rescue, workplace cafeterias, prisons, and care centers (senior, preschools).

Intermediaries: Includes aggregators, distributors, food hubs, brokers, auction houses, and wholesale.

Mid-Size Producers: USDA defines small family farms as those with a Gross Cash Farm Income (GCFI) of less than \$350,000; mid-size farms have a GCFI of \$350,000 to \$999,999.

Lead State Agency: Governmental agency within the State or Territory which is coordinating the application. The Lead State Agency must be the governmental agencies, commissions, or departments that is responsible for agriculture within the State or Territory and with whom AMS has entered an RFSI cooperative agreement.

Nonprofit Corporations: Any organization or institution, including nonprofits with State or IRS 501 (c) status and accredited institutions of higher education, where no part of the organization or institution's net earnings inure to the benefit of any private shareholder or individual.

Retail: Includes businesses such supermarkets, restaurants and caterers, and direct and other to retail markets (food cooperatives, small independent grocers, corner stores).

Small Disadvantaged Business: A business that is small according to SBA's size standards for its business type and that is 51% or more owned and controlled by one or more disadvantaged persons. The disadvantaged person or persons must be socially disadvantaged and economically disadvantaged. For the purposes of this designation, disadvantaged persons is defined per [eCFR :: 13 CFR 124.103 -- "Who is socially disadvantaged?"](#) as "Those who have been subjected to racial or ethnic prejudice or cultural bias within American society because of their identities as members of groups and without regard to their individual qualities. The social disadvantage must stem from circumstances beyond their control." See "[Small Disadvantaged Business](#)" ([sba.gov](#)) for more information.

Tribal Entities: Tribal Entities is expansive and includes all entities falling under the eligible legal structures, including but not limited to: tribal owned corporations, intertribal non-profits and associations, Alaska Native Corporations, Native entities within the State of Alaska recognized by and eligible to receive services from the U.S. Department of the Interior's Bureau of Indian Affairs, Native

Hawaiian organizations including Homestead Associations, State recognized tribes/non-profits, and individually-owned Native American entities.

Tribe: means the term as defined in the Federally Recognized Indian Tribe List Act of 1994 (Public Law 103-454; 108 Stat. 4791, 4792).

Value-Added Agricultural Product: means any agricultural commodity or product that:

- Has undergone a change in the physical state or form of the product, such as milling wheat into flour or making strawberries into jam.
- Is produced in a manner that enhances the value of the agricultural commodity or product.
- Is physically segregated in a manner that results in the enhancement of the value of that commodity or product, such as an identity preserved product.
- Is a source of farm- or ranch-based renewable energy, including E-85 fuel; or
- Is aggregated and marketed as a locally produced agricultural food product and, as a result of the change in physical state or the manner in which the agricultural commodity or product is produced and segregated, the customer base for the commodity or product is expanded and a greater portion of revenue derived from the marketing, processing, or physical segregation is made available to the producer of the commodity or product.

Veteran Farmer or Rancher: is a producer who served in the United States Army, Navy, Marine Corps, Air Force, or Coast Guard, including the reserve component thereof, was released from service under conditions other than dishonorable, and has not operated a farm or ranch or has operated a farm or ranch for no more than 10 years or who first obtained status as a veteran during the most recent 10-year period.

Veteran-Owned Small Business: A small business, as defined by the SBA size standard for its business type that has no less than 51% of the business owned and controlled by one or more veterans. For those veterans who are permanently and totally disabled and unable to manage the daily business operations of their business, their business may still qualify if their spouse or appointed, permanent caregiver is assisting in that management. See "[Veteran contracting assistance programs](#)" ([sba.gov](#)) for more information.

Women-Owned Small Business: A small business according to SBA size standards for its business type that is at least 51% owned and controlled by women who are U.S. citizens; and have women manage day-to-day operations who also make long-term decisions. See "[Women-Owned Small Business Federal Contract program](#)" ([sba.gov](#)) for more information.

EQUAL OPPORTUNITY STATEMENT

In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotope, American Sign Language, etc.) should contact the responsible

Agency or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.

To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at [“How to File a Program Discrimination Complaint”](#) and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by: (1) mail: U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410; (2) fax: (202) 690-7442; or (3) email: program.intake@usda.gov.

USDA is an equal opportunity provider, employer, and lender.

CONFIDENTIAL INFORMATION

After grant awards have been made, all Grant Proposal packets and the associated evaluations will be available to the public. **PRIOR TO SUBMITTING a proposal to the Department, you must send a written description of the information you believe is subject to confidentiality (including trade secrets, as defined by Mont. Code Ann. 30-14-402).** Department legal staff will review the description to determine if the information is such that there is an individual privacy interest worthy of constitutional protection. If the privacy interest clearly exceeds the merits of public disclosure, the Department will furnish the applicant with a confidentiality agreement to be signed and submitted with the constitutionally protected information. Information received pursuant to an approved confidentiality agreement will be available for review only by the RFSI Manager, the evaluation committee members, the Department of Agriculture Director, and Department legal counsel. Applicants shall pay all legal costs associated with defending a claim for confidentiality should another person or entity submit a State of Montana, Article 2 “Right to Know” (open records) request.

REQUESTS FOR RECONSIDERATION

Applicants who wish to have the results of Screening or Evaluation reconsidered may make such request based on substantive issues of fact concerning bias, discrimination, conflicts of interest and/or non-compliance with procedures described in this Funding Notice.

The request for reconsideration must be submitted in writing to the Department of Agriculture RFSI Program Manager within 7 days following notification of the Screening or Evaluation results.

Requests for reconsideration must describe the substantive fact(s) concerning bias, discrimination, conflict of interest, or noncompliance that affected the screening or evaluation of their proposal.

MDA Legal Counsel and/or their designee will review the request for reconsideration to determine whether the claims made are substantiated and likely to have resulted in an inaccurate, inconsistent, or unfair assessment of their proposal.

The applicant will be notified of the results of Legal Counsel’s review within 7 days of the receipt of their request.

Should MDA Legal Counsel find that claims are substantiated, all application materials and the accompanying request for reconsideration will be provided to the MDA Director prior to the selection of applications for inclusion in the state plan.

APPENDIX A – SAMPLE: FULL APPLICATION



Agricultural Marketing Service
U.S. DEPARTMENT OF AGRICULTURE

RFSI EQUIPMENT-ONLY GRANT PROPOSAL

*The RFSI Equipment-Only Grant Proposal should include a project narrative that describes the overall scope of the project and how it aligns with the program goals and priorities. **Applicants must attach documentation to substantiate the costs of each piece of equipment, which can include contracts, catalog pricing, or binding quotes provided by license commercial entities.***

APPLICANT INFORMATION

Applicant Organization Name:

UEI:

Phone Number:

Email Address:

Physical Address

Street:

City:

State:

Zip:

Mailing Address (If different from above)

Street:

City:

State:

Zip:

PRIMARY POINT OF CONTACT

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

Name:

Title:

Phone Number:

Email Address:

DISTRESSED COMMUNITIES INDEX

Using the [Distressed Communities Index](#) Map, provide the community distress score for the county(ies) benefiting from your project. Note: U.S. Territories are not required to submit Distressed Communities Index data.

Click the + or - button to add or remove items as needed.

FOR EXAMPLE:

County 1: Enter County name Distress Score1: Enter County Distress Score
 County 2: Enter County name Distress Score2: Enter County Distress Score

+	County	Distress Score
-		
-		

TYPE OF APPLICANT

Select applicant type:

- Agricultural producers or processors**, or groups of agricultural producers and processors.
- For-profit entities** operating middle-of-the-supply-chain activities such as processing, aggregation, or distribution of targeted agricultural products, whose activities are primarily focused for the benefit of local and regional producers, and that meet the eligibility requirements of the SBA small business size standards are eligible. For more information on these size standards, please visit [SBA's Size Standards webpage](#). For a quick check on whether your business qualifies, please use the [Size Standards Tool](#).
- Nonprofit organizations** operating middle-of-the-supply-chain activities such as processing, aggregation, distribution of targeted agricultural products
- Local government** entities operating middle-of-the-supply-chain activities such as processing, aggregation, distribution of targeted agricultural products
- Tribal governments** operating middle-of-the-supply-chain activities such as processing, aggregation, distribution of targeted agricultural products.
- Institutions** such as schools, universities, or hospitals bringing producers together to establish cooperative or shared infrastructure or invest in equipment that will benefit multiple producers middle-of-the-supply-chain activities such as processing, aggregation, distribution of targeted agricultural product.

PROJECT TITLE

Provide a descriptive project title in 15 words or less in the space below.

EXECUTIVE SUMMARY

Include a project summary of 250 words or less suitable for dissemination to the public. A Project Summary provides a very brief (one sentence, if possible) description of your project. A Project Summary includes:

1. *The name of the applicant organization that if awarded a grant will establish an agreement or contractual relationship with the State Applicant to lead and execute the project,*
2. *The project's purpose, deliverables, and expected outcomes and*
3. *A description of the general tasks/activities to be completed during the project period to fulfill this goal*

PROJECT PURPOSE

OPERATIONS IDENTIFIER

Provide where within the Middle of the Supply Chain the requested equipment be used:

- Processing
- Aggregation
- Distribution
- Value Added Production
- Other

TYPE OF AGRICULTUREAL FOOD PRODUCTS PROCESSED WITH THE EQUIPMENT?

#	Product Type

SCOPE OF WORK

PLEASE DESCRIBE THE CURRENT BUSINESS OPERATIONS INCLUDING SERVICES BEING OFFERED IN THE GEOGRAPHIC FOCUS AREA.

PLEASE DESCRIBE THE SPECIFIC NEED THAT THE REQUESTED EQUIPMENT WILL ADDRESS.

PLEASE DESCRIBE THE IMPACT THIS EQUIPMENT WILL HAVE ON LOCAL AND REGIONAL PRODUCERS, MARKET OUTLETS, AND MORE.

ESTIMATE THE NUMBER OF LOCAL AND REGIONAL PRODUCERS IMPACTED.

DOES THIS PROJECT DIRECTLY BENEFIT:

Check box for all that apply below

- Underserved farmers and ranchers?
- New and beginning farmers and ranchers? Veteran Producers?

- Processors or other middle-of-the-supply businesses owned by socially disadvantaged individuals?

EXPECTED PERFORMANCE MEASURES

The outcomes and performance measures below provide a framework that allows grant recipients to track and evaluate project activities. Please provide expected numbers based on the projects scope of work. Select N/A if not applicable to the specific project.

OUTCOME 2: CAPACITY IN THE MIDDLE OF THE SUPPLY CHAIN FOR LOCAL/REGIONAL FOOD PRODUCTS			
Indicator	Description	Expected Numbers	N/A
2.3	Number of processing equipment units purchased and installed:		
2.5	Number of aggregation, storage, distribution equipment units purchased and installed:		

OUTCOME 3: INCREASE ECONOMIC VIABILITY OF LOCAL/REGIONAL PRODUCERS AND PROCESSORS			
Indicator	Description	Expected Numbers	N/A
3.2	Number of local/regional agricultural producers who benefited from the new or improved processing/aggregation/storage or distribution capacity:		
3.3	Number of new local/regional products processed, aggregated, stored or distributed:		
3.4	Number of new value-added products developed:		
3.5	Number of new market-outlets established:		

BUDGET NARRATIVE

Please be sure to list and justify all expenses to be covered. If applicable, ensure that you have included Critical Resources and Infrastructure letter(s) to support the application information.

EQUIPMENT

Describe any special purpose equipment to be purchased under the grant. ``Special purpose equipment'' such as such as, canners, hulling processors, reverse osmosis systems, egg packing machines, flotation tanks, roasters, or other processing equipment, packing and labeling equipment, or delivery vehicles.

+	#	Equipment Item	Purchase Price	Acquisition Date	Funds Requested
-			\$0.00		\$0.00
Equipment Subtotal					\$0.00

EQUIPMENT JUSTIFICATION

For each Equipment item listed in the above table describe how this equipment will be used to achieve the objectives and outcomes of the project. Add more equipment by copying and pasting the existing listing or delete equipment that isn't necessary.

FOR EXAMPLE:

Equipment 1: Description and justification

Equipment 2: Description and justification

***Applicants must submit documentation to substantiate the costs of each piece of equipment, which can include contracts, catalog pricing, or binding quotes provided by license commercial entities.**

APPENDIX B – SAMPLE: EVIDENCE OF CRITICAL INFRASTRUCTURE

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

[Name of Applicant’s Authorized Organization Representative/Project Director]

[Applicant Organization]

[City, State]

Date: [Enter date]

Dear [Applicant’s Project Director]:

We [include a statement about committing/approving/granting permission, etc. of the critical resource or infrastructure] to the 20XX [Program Title] [Program Project Title], for the time period of [include dates of commitment within proposed project period] in the following way:

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

By checking this box, I confirm that the critical resource(s) and infrastructure¹ listed above are in place and usable for the start-up, implementation and completion of the proposed project activities. If requested by AMS, I will submit supporting documentation (e.g. copy of lease agreement, licenses, permits, picture(s) of facilities, etc.) as evidence.

Sincerely,

[Signature of Partnering Organization’s Authorized Representative (AR)]

Printed Name of AR

AR’s Title (e.g., Executive Director)

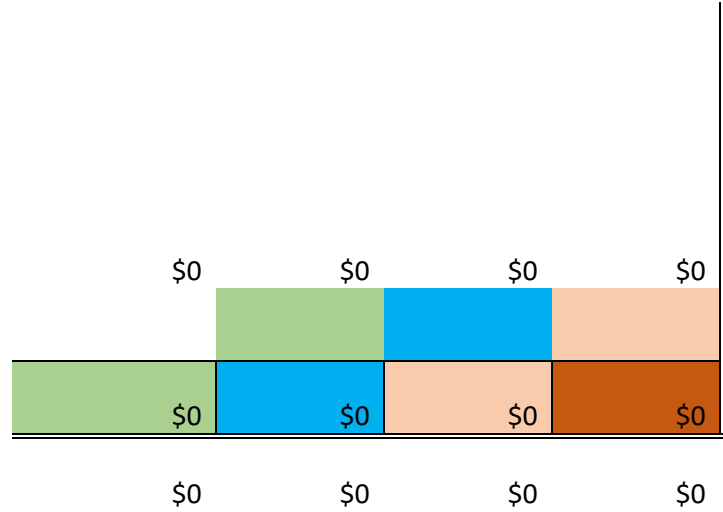
¹ Critical resources and infrastructure can be facilities, land, structure, use of city street/parks, shared-used kitchen, and/or other resources that are essential for the proposed project activities.

APPENDIX C – SAMPLE: FINANCIALS TEMPLATE

Entity Name				
Financial Statements Historical				
	Most recent complete year	Year 1 projections 202x	Year 2 projections 202x	Year 3 projections 202x
Balance Sheets:				
<u>Current Assets:</u>				
Equivalents				
Cash and Cash				
Short-term Investments				
Accounts Receivable				
Other Current Assets				
Total Current Assets	\$0	\$0	\$0	\$0
Property and Equipment:				
Other Assets				
Total Assets:	\$0	\$0	\$0	\$0
<u>Liabilities and Owner's</u>				
<u>Equity:</u>				
Current Liabilities				
Other Liabilities				
Total Liabilities	\$0	\$0	\$0	\$0
Owner's Equity				
Total Liabilities and Owner's Equity	\$0	\$0	\$0	\$0
Statements of Operations:				
Gross Revenue				
Cost of Services				
Gross Profit	\$0	\$0	\$0	\$0
<u>Operating Expenses:</u>				
Salaries and Benefits				
Other Operating Expenses				
Depreciation				
Interest Expense				
Total Operating Expenses	\$0	\$0	\$0	\$0
Other Income(Expense)				
Net Income	\$0	\$0	\$0	\$0
Statements of Cash Flows:				

This needs to match highlighted cells below

Cash Flows from Operating
 Activities
 Cash Flows from Investing
 Activities
 Cash Flows from Financing
 Activities
 Net Change in Cash and Cash
 Equivalents
 Cash and Cash Equivalents -
 Beginning of Year
 Cash and Cash Equivalents -
 End of Year
 Cash Available for Debt
 Service



This needs to match highlighted cells above

APPENDIX D – SAMPLE: APPLICANT SELF ASSESSMENT

APPLICANT SELF-ASSESSMENT

Applicant Self-Assessment of Internal Controls and Risks

Montana Department of Agriculture will use this form to assess the risk of awarding a grant for each applicant. Answers will determine eligibility to qualify for funding and the extent to which special conditions may be applied (such as reporting frequency, site visits, etc.) should a grant be awarded.

Company/Organization Name	
Grant Project Contact	
Project Title	
Date Prepared	

Staff Qualifications

3 or more	1-3	Less than 1	Internal Control
			How many years of experience managing projects of this type does the Grant Project Contact have?
			How many years of experience does the Grant Project Contact have in working with federal grants?

Comments:	
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Control Environment

Answer “yes” if activity in question applies to your organization. Each “no” answer indicates a potential weakness of internal controls. **All “no” answers require an explanation.**

Organizational Structure

Yes	N/A	No	Internal Control
			Do organizational policies exist delegating grant/financial management responsibilities among staff?
			In addition to program staff, are financial and management personnel involved in the day-to-day implementation of grant funded projects?

Comments:	
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Internal Controls

Yes	N/A	No	Internal Control
			Are written personnel policies maintained?
			Are processes in place to ensure that wages charged to the grant are reviewed and based on actual time and effort?
			Are policies in place that clearly delegate authority within the organization and identify staff responsibilities?

			Are procedures in place to ensure supervisors, financial staff and managers receive adequate training on federal grant management practices?
			Is a list of authorized check signers maintained?
			Are accounting policies in place to ensure that expenses are accompanied by source documentation?
			Does your organization have a written travel policy?
			Are written procurement policies maintained and followed by your organization?
			Do policies exist to separate accounting duties, such as the preparing and signing of checks?
			Are all records, checks, and supporting documents retained according to a written policy complying with state and federal regulations?
			Are periodic (monthly, quarterly) reports of budget to actual spending prepared and reviewed by both accounting and grant staff?
			Does your accounting system track the receipt and disbursement of funds by each grant or source of funding?
			Are there policies and procedures to provide for the appropriate use of program income?

Comments:	
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Yes	N/A	No	Internal Control
			Are procedures in place to ensure that all expenditures are allowable prior to the outlay of funds?
			Have personnel responsible for coding expenditures been trained on federal grant management?
			Are all grant documents made available to grant staff to ensure their ability to adequately review for the allowability of expenditures?
			Are periodic (monthly, quarterly) reviews of the status of actual to planned program performance prepared and reviewed by staff?

Comments:	
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Equipment Management

This section is required only if you requested funds for Special Purpose Equipment in your proposal.

Yes	N/A	No	Internal Control
			Are fixed asset records maintained that adequately classify and identify individual items, as well as detailing their location?
			Is someone assigned responsibility to ensure that all equipment is properly maintained?
			Is insurance coverage maintained for grant purchased equipment?

Comments:	
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Matching Funds or Program Income in your proposal.

Program Income

This section is required only if you indicated Matching Funds or Program Income in your proposal.

Yes	N/A	No	Internal Control
			Are cash/check receipt policies and procedures clearly documented and communicated to personnel?
			Are there policies and procedures to provide for the appropriate use of program income?

Comments:	
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Audit

Yes	N/A	No	Internal Control
			Does your organization expend \$750,000 or more during the non-Federal entity's fiscal year in Federal awards?
			Does our organization engage in audits compliant with OMB Circular a-133?
			Was your previous audit free of significant findings?
			Have audits been conducted by a CPA or Licensed Public Accountant
			Are past audit reports kept on file?

Comments:	
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