Value-Added Producer Grants

Fiscal Year 2025 Notice of Funding Opportunity

Funding Opportunity Number: RDBCP-VAPG-2025

Publication Date: January 17, 2025 **Application Due Date:** April 17, 2025

PROGRAM SOLICITATION INFORMATION

Funding Opportunity Title: Value-Added Producer Grant

Funding Opportunity Number: RDBCP-VAPG-2025

Announcement Type: Notice of Funding Opportunity (NOFO)

Assistance Listing Number: 10.352

Dates: Electronic applications must be submitted the Grant Application Portal by 11:59 p.m. Eastern

Time (ET) on April 17, 2025.

Executive Summary:

The Rural Business-Cooperative Service (RBCS or the Agency), a Rural Development (RD) agency of the United States Department of Agriculture (USDA), announces acceptance of applications under the Value-Added Producer Grant (VAPG) program for Fiscal Year (FY) 2025, subject to the availability of funding. This Notice is being issued prior to the FY 2025 appropriations act to allow Applicants sufficient time to leverage financing, prepare and submit their applications, and give the Agency time to process applications within FY 2025. Based on FY 2024 appropriated funding, the Agency estimates that approximately \$30 million will be made available for FY 2025. Successful applications will be selected by the Agency for funding and subsequently awarded to the extent that funding may ultimately be made available through appropriations. Applicants are responsible for any expenses incurred in developing their applications.

TIPS FOR APPLICANTS

- To do business with the Federal Government and to submit your application electronically using the Grant Application Portal, you must—
 - Have a Unique Entity Identifier (UEI) and a Taxpayer Identification Number (TIN);
 - Be registered in <u>SAM.gov</u> (System for Award Management), the Government's primary registrant database;
 - o Provide your UEI number and TIN on your application; and
 - Maintain an active SAM registration with current information throughout the application review period and, if you are awarded a grant, during the project period.
- Register and submit applications early. DO NOT WAIT UNTIL THE DAY OF THE APPLICATION DEADLINE.
- Thoroughly read this Notice of Funding Opportunity (NOFO) and follow all the instructions.
- Thoroughly review the guidelines and policies as outlined in this notice to ensure the application is received and eligible for consideration, and to understand allowable and unallowable costs.
- Apply for the correct grant program
 - Assistance Listing number "10.352" and Funding Opportunity Number "RDBCP-VAPG-2025"

- When uploading attachments, click the "Upload Documents" button in the Grant Application Portal (do NOT use the "paperclip" icon in Adobe Reader). Acceptable file types include .doc, .docx, .pdf, .jpg, .jpeg, .png, .gif, .xls, .xlsx, .txt, .ppt, and .pptx
- Do not password-protect your documents and make sure all tracked-changes are "accepted".
- Avoid Special Characters in File Names (\$, %, &, *, Spanish "ñ", etc.).
- Input the correct UEI number on the Grant Application Portal.

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1.0 PROGRAM DESCRIPTION

1.1 Purpose of the Program

The objective of this grant program is to assist viable for-profit Agricultural Producers, Agricultural Producer Groups, Farmer and Rancher Cooperatives, and Majority-Controlled Producer-Based Businesses in starting or expanding value-added activities related to the processing and/or marketing of Value-Added Agricultural Products. Grants will be awarded competitively for either planning or working capital Projects directly related to the processing and/or marketing of value-added products. Generating new products, creating and expanding marketing opportunities, and increasing producer income are the end goals of the program. All proposals must demonstrate economic viability and sustainability to compete for funding.

1.2 Statutory and Regulatory Authority

The VAPG program is authorized under section 231 of the Agriculture Risk Protection Act of 2000 (Pub. L. 106-224), as amended by section 10102 of the Agriculture Improvement Act of 2018 (Pub. L. 115-334) (see 7 U.S.C. 1627c). The program is implemented by 7 CFR part 4284, subpart J that was updated November 15, 2024, and is available at https://www.ecfr.gov/current/title-7/part-4284/subpart-J.

1.3 Definitions

The definitions applicable to this Notice are published at 7 CFR 4284.903.

1.4 Application of Awards

The Agency will review, evaluate and score applications received in response to this Notice based on the provisions found in 7 CFR <u>4284.940</u>, 7 CFR <u>4284.950</u>, and as indicated in this Notice. Awards under the VAPG program will be made on a competitive basis. The Agency advises all interested parties that the Applicant bears the full burden for preparing and submitting an application in response to this Notice.

2.0 FEDERAL AWARD INFORMATION

Type of Awards: Grants
Fiscal Year Funds: FY 2025

Available Funds: The Agency currently estimates that approximately \$30 million will be available for FY 2025. RBCS may, at its discretion, increase the total amount of funding available in this funding round from any authorized source provided the awards meet the requirements of the statute which made the funding available to the Agency.

In addition, ten percent of available funds will be reserved for each of the following: (1) Applicants qualifying as Beginning, Veteran, and Socially-Disadvantaged Farmers or Ranchers, (2) Applicants proposing Mid-Tier Value Chain Projects and (3) Applicants proposing Food Safety Projects where a majority of the requested grant amount goes to improving Food Safety for the purpose of enhancing market access. If an Applicant is not awarded funding within a reserved fund competition, the Applicant will have the opportunity to compete for general (non-reserved) funds with other eligible VAPG

applications. Finally, any funds that become available for persistent poverty counties through enactment of FY 2025 appropriations will be allocated to Projects located in persistent poverty counties. Funds not obligated from these reserves by September 30, 2025, will be used for the VAPG general competition and made available in a subsequent application cycle.

Award Amounts: Maximum Planning \$75,000; Maximum Working Capital \$250,000.

Anticipated Award Date: September 30, 2025

Performance Period: Up to three (3) years depending on the complexity of the Project.

Renewal or Supplemental Awards: None

Type of Assistance Instrument: Financial Assistance Agreement

3.0 ELIGIBILITY INFORMATION

3.1 Eligibility Information

The following discusses the eligibility requirements of the program to include Applicant, Project, and reserved funds eligibility as well as the allowable and unallowable uses of funds:

a. *Eligible Applicants*. Eligible Applicants must meet the eligibility requirements of <u>7 CFR Part 4284 subpart J</u>, this Notice, and submit a complete application via the Grant Application Portal by 11:59 p.m. ET on April 17, 2025. Applications that fail to meet any of these requirements by the application deadline will be deemed ineligible and will not be evaluated further.

The Agency encourages applications from Federally-recognized Tribes and Tribal entities. Federally-recognized Tribes and Tribal entities must demonstrate that they meet the definition requirements for one of the four eligible Applicant types. Tribal Applicants are encouraged to contact Agency staff early in the process to discuss Applicant and Project eligibility. In addition to contacting program staff, Tribal Applicants can contact USDA Rural Development's Tribal Relations Team with Tribal specific questions and concerns at aian@usda.gov.

Factors rendering an Applicant ineligible are provided at <u>7 CFR 4284.921</u>. The Agency will check the Do Not Pay (DNP) Portal to determine if the Applicant or its principals meets the requirements as set in <u>7 CFR 4284.92</u>0. In addition, recent appropriations acts have included provisions that make certain corporations ineligible for award funding. Specifically, the Further Consolidated Appropriations Act, 2024 (Pub. L. 118-47), Division B, Title VII, provides that any corporation (i) that has been convicted of a felony criminal violation under any Federal law within the past 24 months or (ii) that has any unpaid Federal tax liability that has been assessed, for which all judicial and administrative remedies have been exhausted or have lapsed, and that is not being paid in a timely manner pursuant to an agreement with the authority responsible for collecting the tax liability, is not eligible for financial assistance provided with funds appropriated by this or any other act, unless a Federal agency has considered suspension or debarment of the corporation and has made a determination that this further action is not necessary to protect the interests of the Government. The Agency will not know whether these eligibility restrictions will apply to the funds made available under this Notice until Congress passes the appropriations act for Fiscal Year 2025.

b. *Project Eligibility*. Applicants must demonstrate with their responses in the Grant Application Portal that the Project meets all of the Project eligibility requirements of <u>7 CFR 4284.922</u>.

- c. Reserved Funds Eligibility. To qualify for reserved funds as a Beginning, Veteran, or Socially-Disadvantaged Farmer or Rancher, for proposed development of a Mid-Tier Value Chain, or for Food Safety related Projects, the requirements found at 7 CFR 4284.923 must be met.
- d. *Allowable Uses of Grant and Matching Funds*. Allowable uses of grant and Matching Funds are discussed, along with examples, in <u>7 CFR 4284.925</u>. In general, grant and Matching Funds have the same use restrictions and must be used to fund only the costs for eligible purposes as defined at <u>7 CFR 4284.925</u>(a) and (b).
- e. *Unallowable Uses of Grant and Matching Funds*. Federal procurement standards prohibit transactions that involve a real or apparent conflict of interest for owners, employees, officers, agents, or their immediate family members having a personal, professional, financial or other interest in the outcome of the Project, including organizational conflicts, and conflicts that restrict open and free competition for unrestrained trade. A list (not all-inclusive) of unallowable uses of grant and Matching Funds is found in <u>7 CFR 4284.926</u>.

3.2 Cost Sharing or Matching Funds

The definition of Matching Funds is provided at 7 CFR 4284.903 and Matching Fund requirements are provided at 7 CFR 4284.922, 4284.925, 4284.926, and 4284.931. There is a Matching Fund requirement of at least \$1 for every \$1 in grant funds provided by the Agency (Matching Funds plus grant funds must equal proposed Project Costs). Matching Funds may be in the form of cash or eligible in-kind contributions. As provided in 7 CFR 4284.925 and 4284.926, matching contributions and grant funds may be used only for eligible Project purposes, including any contributions exceeding the minimum amount required.

Applicant matching contributions in the form of a raw Agricultural Commodity, time contributed to the Project, or goods or services for which no out-of-pocket expenditure is made during the grant period, must be characterized as in-kind contributions, subject to the requirements and limitations specified in 7 CFR 4284.925(a)-(b). Donations of goods and services from third parties must be characterized as in-kind contributions. Tribal Applicants may utilize grants made available under Section 103(c) of the Indian Self-Determination and Education Assistance Act (Public Law No. 93-638), as amended, as their matching contribution, and should check with appropriate Tribal authorities regarding the availability of such funding. Matching Funds cannot be paid by the Federal Government under another Federal award with the exception of the grant funds under the Indian Self-Determination and Education Assistance Act.

Do not include Projected income as a matching contribution because it cannot be verified as available.

3.3 Other Requirements

a. *Multiple grants*. An Applicant, per 7 CFR 4284.920(g), may submit only one application in response to a solicitation. Applicants who have already received a Planning Grant for the proposed Project cannot receive another Planning Grant for the same Project. Applicants who have already received a Working Capital Grant for the proposed Project cannot receive any additional grants for that Project. Proposals from previous award recipients should be substantially different in terms of products and/or markets and should not merely be extensions of previously funded Projects. Applicant entities

regardless of ownership percentage that are comprised of the same individuals of a previously awarded VAPG Project (recipient) can only submit proposals documenting how the new Project is substantially different in terms of products and/or markets from the previously funded Project.

- b. *Alcohol Projects*. Applicants who are proposing working capital grants to produce and market value-added products in the industries of wine, beer, distilled spirits or other alcoholic merchandise must comply with Alcohol and Tobacco Tax and Trade Bureau (TTB) regulations published at <u>27 CFR Chapter 1</u>, including but not limited to permitting, filing of taxes and operational reports. Please visit TTB's website at https://www.ttb.gov/ for more information. Applicants that are not in compliance with TTB's requirements may be deemed ineligible by the Agency. If, at any time after a VAPG award has been received, an Applicant is found to be non-compliant with TTB's operational reporting or tax requirements, the Agency may determine that the Applicant is not in compliance with the grant terms and conditions. In accordance with <u>7 CFR 4284.951(b)(7)</u>, validation of an active TTB permit will occur prior to award.
- c. Hemp Projects. In determining eligibility of the Applicant, Project, or use of funds, any Project applying for funding under the VAPG program and proposing to produce, procure, supply or market any component of the hemp plant or hemp related by-products, must have a valid license from an approved State, Tribal or Federal plan pursuant to the Agricultural Marketing Act of 1946 (7 U.S.C. 1621 et seq.) and amended in Section 10113 of the Agriculture Improvement Act of 2018 (the "2018 Farm Bill), be in compliance with regulations published by the Agricultural Marketing Service at 7 CFR part 990, and meet any applicable U.S. Food and Drug Administration and U.S. Drug Enforcement Administration regulatory requirements. In accordance with 7 CFR 4284.951(b)(7), verification of valid hemp license will occur prior to award.

4.0 APPLICATION AND SUBMISSION INFORMATION

4.1 Access to the Grant Application Portal

The Grant Application Portal should be accessed through the VAPG website at http://www.rd.usda.gov/programs-services/value-added-producer-grants. This Site includes training materials, user guides, and Grant Application Portal access instructions. The Grant Application Portal contains an automated application process, and all applications must be completed and submitted in the Grant Application Portal. Applications must be started in the Grant Application Portal by the authorized representative of the Applicant entity. Applicants may work with a collaborator (grant writer, technical assistance provider, or similar) or other representatives (owners or family members). However, the Applicant will be (a) Responsible for starting the application in the Grant Application Portal by collaborators or representatives, and (c) Required to certify to the trueness, accuracy, and completion of the application.

4.2 Content and Form of Application

Applications must include all requirements as described in <u>7 CFR 4284.931</u>. <u>4284.932</u>, and <u>4284.933</u>, unless otherwise clarified in this Notice.

4.3 System for Award Management and Unique Entity Identifier

- a. At the time of application, each applicant must have an active registration in the System for Award Management (SAM) before submitting its application in accordance with 2 CFR part 25. In order to register in SAM, entities will be required to obtain a Unique Entity Identifier (UEI). Instructions for obtaining the UEI are available at https://sam.gov/content/entity-registration.
- b. Each applicant must maintain an active SAM registration, with current, accurate and complete information, at all times during which it has an active Federal award or an application under consideration by a Federal awarding agency.
- c. Each applicant must ensure they complete the Financial Assistance General Certifications and Representations in SAM.
- d. Applicants must provide a valid UEI in its application, unless determined exempt under <u>2 CFR</u> <u>25.110</u>.

4.4 Submission Dates and Times

Applications must be submitted in the Grant Application Portal by 11:59 p.m. ET on April 17, 2025. If the due date falls on a Saturday, Sunday, or Federal holiday, the application is due the next business day. The Agency will not solicit or consider new information that is submitted after the application deadline. The Agency also reserves the right to ask Applicants for clarifying information and additional verification of assertions in the application. Late applications will not be accepted through the Grant Application Portal. Applications will not be considered or evaluated for the VAPG program cycle unless the applications are submitted through the Grant Application Portal.

4.5 Intergovernmental Review

Executive Order (EO) 12372, "Intergovernmental Review of Federal Programs," does not apply to this program.

4.6 Funding Limitations

Funding limitations found in the program regulation at 7 CFR 4284.928 will apply, including:

- a. *Use of Funds*. Grant and matching funds may only be used for eligible purposes. Allowable and unallowable uses are provided in <u>7 CFR 4284.925</u> and <u>4284.926</u>, respectively. Grant funds may not be used to pay any costs of the Project incurred prior to the date of grant approval.
- b. *Period of Performance (grant period)*. The Project timeframe or Period of Performance can be a maximum of three (3) years in length from the date of award, depending on the complexity of the Project as stated in 7 CFR 4284.922(c). The proposed grant period should begin no earlier than the anticipated award announcement date in this Notice and must end no later than three (3) years following that date. If an Applicant receives an award, the grant period will be revised to begin on the actual date of award—the date the Financial Assistance Agreement (grant agreement) is executed by the Agency—and the grant period end date will be adjusted accordingly. The Project activities should begin within 90 days of the date of award. The length of the grant period should be based on the Project's complexity, as indicated in the application work plan. For example, it is expected that most planning grants can be completed within one (1) year.
 - c. Program Income. If Program Income is earned during the grant period as a result of the Project

activities, it is subject to the requirements in 2 CFR 200.307 and must be managed and reported accordingly.

d. *Majority Controlled Producer-Based Business Venture*. The aggregate amount of funds awarded to Majority Controlled Producer-Based Business Ventures in response to this announcement shall not exceed 10 percent of the total funds obligated for the program during the fiscal year in accordance with 7 CFR 4284.928(c).

4.7 Other Submission Requirements

Applications must be submitted electronically through the Grant Application Portal accessed at https://www.rd.usda.gov/programs-services/business-programs/value-added-producer-grants.

5.0 APPLICATION REVIEW INFORMATION

5.1 Criteria

The Agency will only score applications that meet the following criteria:

- a. The Applicant and Project are eligible,
- b. Responses submitted in the Grant Application Portal are complete and sufficiently responsive to program requirements of the regulation and this Notice, and
- c. For working capital requests only, the Agency must agree on the likelihood of financial feasibility of the Project.

5.2 Scoring

Applications will be scored in accordance with the procedures and criteria specified in <u>7 CFR</u> 4284.940, and with tiered scoring thresholds as specified below. For each criterion, Applicants must show how the Project has merit and why it is likely to be successful. The justification for each criterion must be included in the merit evaluation or corresponding sections of the Grant Application Portal, including summarizations of any feasibility studies and business and marketing plans. If Applicants do not address all parts of the criterion, or do not sufficiently communicate relevant Project information, the application will score lower. The VAPG is a competitive program and, therefore, scoring will be based on the quality of the Applicant's responses. Simply addressing the criteria will not guarantee higher scores. The total maximum number of points that can be awarded for an application is 100. In accordance with <u>7 CFR 4284.950(b)</u>, the total minimum score requirement for funding consideration is 50 points.

The Grant Application Portal provides additional instructions to help you respond to the criteria below.

a. Nature of the proposed venture (0 to 30 points). Applicants must describe the technological feasibility, operational efficiency, and profitability and economic sustainability of the Project. Applications that demonstrate a high likelihood of success in these areas will receive higher points. In response to this criterion, Working Capital Grant Applicants must provide accurate and factual information for the Project that demonstrates a viable Project ready to be implemented upon award. Planning Grant Applicants only need to discuss anticipated needs and expected outcomes for the Project. Points will be awarded as follows:

- i. *Technological feasibility (0 10 points)*. Technological feasibility should include discussion of the value-added process; the Applicant's expectations for sufficient Agricultural Commodity as well as the value to be added to the Agricultural Commodity through the value-added process; potential markets and distribution channels; Applicant's experience in marketing the proposed or similar product; and any other relevant information that supports the feasibility of the Project. Points will be awarded as follows:
- (1) *O points* will be awarded if the application does not address the technological feasibility of the Project.
- (2) 1 to 4 points will be awarded if the application does not adequately address the technological feasibility of the Project.
- (3) 5 to 7 points will be awarded if the application adequately addresses the technological feasibility of the Project and demonstrates a reasonable likelihood of success.
- (4) 8 to 10 points will be awarded if the application adequately addresses the technological feasibility of the Project and demonstrates a high likelihood of success.
- ii. Operational efficiency (0 10 points). Applicants should describe the operational efficiency of the Project (i.e. sufficient Agricultural Commodity, use own facility or toll processing, share a processing space, energy efficiency aspects, waste management, sufficient labor or expertise, logistics for storage or distribution of Value-Added Agricultural Product, etc.). Operation efficiency should include discussion of the cost of inputs; cost of processing commodity; sufficient labor and expertise; use of own facility, shared space, or contracted processing; adequate processing equipment; and logistics for storage, distribution, transportation, and/or shipping of the Value-Added Agricultural Product. Applicants should also address any anticipated challenges or risks associated with the Project. Points will be awarded as follows:
- (1) *O points* will be awarded if the application does not address the operational efficiency of the Project.
- (2) 1 to 4 points will be awarded if the application does not adequately address the operational efficiency of the Project.
- (3) 5 to 7 points will be awarded if the application adequately addresses the operational efficiency of the Project and demonstrates a reasonable likelihood of success.
- (4) 8 to 10 points will be awarded if the application adequately addresses the operational efficiency of the Project and demonstrates a high likelihood of success.
- iii. *Profitability and economic sustainability (0 10 points)*. Profitability and economic sustainability should include discussion of the market expansion strategy, break-even point analysis completed for the Project, and a discussion of the expected expansion of customer base and increased revenue. Include a summary of historical financial and pro forma financial projections, as applicable, to support the viability of the Project. Other relevant sources such as a Business Plan or Feasibility Study may be cross-referenced. Points will be awarded as follows:
- (1) *O points* will be awarded if the application does not address the profitability, economic sustainability, expected expansion of customer base, and increased revenue of the Project.
- (2) 1 to 4 points will be awarded if the application does not adequately address the profitability, economic sustainability, expected expansion of customer base, and increased revenue of the Project.

- (3) 5 to 7 points will be awarded if the application adequately addresses the profitability, economic sustainability, expected expansion of customer base, and increased revenue of the Project and demonstrates a reasonable likelihood of success.
- (4) 8 to 10 points will be awarded if the application adequately addresses the profitability, economic sustainability, expected expansion of customer base, and increased revenue of the Project and demonstrates a high likelihood of success.
- b. *Qualifications of Key Personnel (graduated score 0 to 20 points)*. Applicants must provide the qualifications and expertise of all identified Key Personnel in the work plan and budget. If staff or consultants have not been hired at the time of application, Applicants must provide specific descriptions of the qualifications required for the positions to be filled. Applications that demonstrate Key Personnel with strong, relevant qualifications and expertise in the activities and tasks provided in the work plan and budget will receive higher points. Points will be awarded as follows:
 - i. *O points* will be awarded if you do not address the criterion.
- ii. 1 to 4 points will be awarded if qualifications and experience of all Key Personnel is not addressed and/or if necessary, qualifications of unfilled positions are not provided.
- iii. 5 to 9 points will be awarded if all Key Personnel are identified but do not demonstrate qualifications or experience relevant to the Project.
- iv. 10 to 14 points will be awarded if all Key Personnel demonstrate strong, relevant qualifications and/or experience, indicating a reasonable likelihood of success.
- v. 15 to 20 points will be awarded if all Key Personnel demonstrate strong, relevant qualifications or experience, indicating a high likelihood of Project success.
- c. Work plan and budget (0 to 20 points). Applicants must submit a comprehensive work plan and budget. Applications that provide a clear, comprehensive work plan detailing all Project goals, tasks, timelines, costs, and Key Personnel in a logical and realistic manner demonstrating a high likelihood of success will receive higher points. The Project work plan and budget must demonstrate eligible sources and allowable uses of funds and must:
- i. Present a detailed narrative description of the eligible activities and tasks related to the processing and/or marketing of the Value-Added Agricultural Product along with a detailed breakdown of all estimated costs allocated to those activities and tasks;
- ii. Identify the Key Personnel that will be responsible for overseeing and/or completing the activities or tasks and provide reasonable and specific timeframes for completion of the activities and tasks;
- iii. Identify the sources and uses of grant and Matching Funds for all activities and tasks specified in the budget; and indicate that Matching Funds will be spent at a rate equal to or in advance of grant funds; and
- iv. Identify the basis of the valuation of the grant and Matching Funds for all activities and tasks specified in the budget.

Work plan and budget points will be awarded as follows:

- (1) *O points* will be awarded if the application does not address the criterion.
- (2) 1 to 7 points will be awarded if the work plan and budget do not account for all Project goals, tasks, costs, timelines, and Key Personnel.

- (3) 8 to 14 points will be awarded if the application provides a clear, comprehensive work plan detailing all Project goals, tasks, timelines, costs, and Key Personnel in a logical and realistic manner that demonstrates a reasonable likelihood of success.
- (4) 15 to 20 points will be awarded if the application provides a clear, comprehensive work plan detailing all Project goals, tasks, timelines, costs, and Key Personnel in a logical and realistic manner that demonstrates a high likelihood of success.
- d. *Matching Funds commitment (up to 5 points).* Applications that demonstrate financial commitment in the form of cash matching contributions will receive more points.
 - i. No cash match: *O points*.
 - ii. Cash match equals less than 50 percent of the matching contribution: 2 points.
- iii. Cash match equals 50 percent or more, but less than 100 percent, of the matching contribution: *3 points*.
 - iv. Cash match equals 100 percent of the matching contribution: 5 points.

Note that because applications with cash matching contributions are awarded more points than those pledging only in-kind contributions, Applicants will not be able to substitute an in-kind match for cash after awards are made.

- e. *Prior VAPG assistance (up to 5 points).* The Applicant must disclose the number of prior VAPG awards they have received. Applicants that have not received a VAPG award will receive more points.
 - i. Received three or more prior VAPG awards: 0 points.
 - ii. Received two prior VAPG awards: 2 points.
 - iii. Received one prior VAPG awards: 3 points.
 - iv. Received no prior VAPG awards: 5 points.
- f. *Priority points (0 to 10 points)*. Priority points may be awarded in both the general funds and the reserved funds competitions. Points will be awarded as follows:
- i. 5 priority points will be awarded if the Applicant meets the requirements for one of the following categories and provides the documentation described in 7 CFR 4284.923 and 4284.924, as applicable: Beginning Farmer or Rancher, Socially-Disadvantaged Farmer or Rancher, Veteran Farmer or Rancher, or operator of a Small- or Medium-Sized Farm or Ranch that is structured as a Family Farm, Farmer or Rancher Cooperative, or are proposing a Mid-Tier Value Chain Project. Applicants will not be awarded more than five (5) points even if they qualify for more than one of the priority categories.
- ii. 5 additional priority points will be awarded if the Applicant is an Agricultural Producer Group, Farmer or Rancher Cooperative, or Majority-Controlled Producer-Based Business Venture whose Project "best contributes to creating or increasing marketing opportunities" for operators of Small- and Medium-Sized Farms or Ranches that are structured as Family Farms, Beginning Farmers or Ranchers, Socially-Disadvantaged Farmers or Ranchers, or Veteran Farmers or Ranchers.
- g. Administrator priority categories (cumulative score 0 to 10 points). The Administrator of the Agency may choose to award priority points to improve the geographic diversity of awardees and to applications for Projects that will advance RD priorities.

5.3 Review Selection Processes

Applications will be reviewed and processed as described at <u>7 CFR 4284.940</u>. The Agency will review applications to determine if they are complete and eligible. If at any time, the Agency determines that

the application is ineligible, the Applicant will be notified in writing as to the reasons it was determined ineligible and will be informed of review and appeal rights. Funding of successfully scored applications, after an appeal, will be limited to available fiscal year funds.

The Agency will select applications for award under this Notice in accordance with the provisions specified in <u>7 CFR 4284.950(a)</u>.

If an application is eligible and complete, it will be qualitatively scored by a panel of reviewers based on criteria specified in section 5.2 of this Notice. The reviewers will be non-Federal, independent reviewers. Independent reviewers must have at least a bachelor's degree in one or more of the following fields: agri-business, agricultural economics, agriculture, animal science, business, marketing, economics, or finance; or a minimum of eight (8) years of experience in an agriculture-related field (e.g., farming, marketing, consulting, or research; or as university faculty, trade association official, or non-Federal government official in an agriculturally related field). To become a non-Federal independent reviewer, please contact Grant Solutions at vapgreview@grantreview.org. The panel of independent reviewers will score evaluation criteria (a) through (c) and come to a consensus score for each of the three criteria. Reviewers are not eligible to apply for the program as it would result in a conflict of interest. The RD State Office staff will award points for criterion (d) through (f). The points will be added to the consensus score awarded by the independent reviewer panel for each application. The sum of these scores will be ranked highest to lowest to comprise an initial ranking.

The Administrator of the Agency may choose to award up to 10 Administrator priority points based on criteria (g) in section <u>5.2</u> of this Notice. These points will be added to the cumulative score from the initial ranking and re-ranked from highest to lowest for a final ranking. The total maximum number of points that can be awarded for an application is 100.

Applications for reserved funds will be funded in rank order until funds are depleted. Unfunded reserve applications will be returned to the general funds where applications will be funded in rank order until the funds are expended. Funding for Majority Controlled Producer-Based Business Ventures is limited to 10 percent of total grant funds expected to be obligated as a result of this Notice. These applications will be identified in rank order until the funding limitation has been reached. Grants to these Applicants from reserved funds will count against this funding limitation. In the event of tied scores, the Administrator shall have discretion in breaking ties. The Agency reserves the right to offer the Applicant less than the grant funding requested.

If the application is ranked, but not funded, it will not be carried forward into the next application funding cycle.

6.0 FEDERAL AWARD ADMINISTRATION INFORMATION

6.1 Federal Award Notices

If you are selected for funding, you will receive a signed Notice of Federal award containing instructions on requirements necessary to proceed with execution and performance of the award.

If you are not selected for funding, you will be notified in writing and informed of any review and appeal rights. Funding of successfully scored applications, after an appeal, will be limited to available fiscal year funding.

6.2 Administrative and National Policy Requirements

- a. *Geospatial Data*. Awardee, and any and all contracts entered into by the Awardee with respect to the Award, shall ensure that geospatial data required to be collected and provided to the agency, conforms with the requirements of USDA Departmental Regulation DR-3465-001 and the Geospatial Metadata Standards set forth in DM 3465-001, which can be obtained online at https://www.usda.gov/directives/dr-3465-001 and https://www.usda.gov/directives/dm-3465-001.
 - b. Additional Requirements.
- i. Additional requirements that apply to Applicants selected for a program award can be found in <u>7 CFR part 4284</u>, <u>Subpart J</u>; the Grants and Agreements regulations of the Department of Agriculture codified in 2 CFR parts <u>180</u>, <u>200</u>, <u>400</u>, <u>415</u>, <u>417</u>, <u>418</u>, and <u>421</u>; 2 CFR parts <u>25</u> and <u>170</u>; and <u>48 CFR 31.2</u>, and successor regulations to these parts.
- ii. In addition, the following additional requirements apply to Applicants selected for a program award:
 - (1) Agency approved Financial Assistance Agreement.
 - (2) Letter of Conditions.
 - (3) Form RD 1940-1, "Request for Obligation of Funds."
 - (4) Form RD 1942-46, "Letter of Intent to Meet Conditions."
 - (5) Form RD-400-4, "Assurance Agreement."
 - (6) SF LLL, "Disclosure of Lobbying Activities," if applicable.
 - (7) Form SF 270, "Request for Advance or Reimbursement."

6.3 Reporting

You will be required to provide the following, as indicated in the Financial Assistance Agreement, and specified at 7 CFR 4284.960:

- a. An SF-425, "Federal Financial Report," and a Project performance report will be required on a semiannual basis (due 30 working days after end of the semiannual period). For the purposes of this grant, semiannual periods end on March 31st and September 30th. The Project performance reports shall include the elements prescribed in the Financial Assistance Agreement.
- b. A final Project and financial status report within 120 days after the expiration or termination of the grant.
 - c. Outcome Project performance reports and final deliverables.

7.0 FEDERAL AWARD AGENCY CONTACTS

If you have questions about this Notice, please contact the USDA RD State Office. Applicants can find USDA RD State Office contact information at http://www.rd.usda.gov/contact-us/state-offices. You may also contact National Office staff at CPGrants@wdc.usda.gov or call the main line at (202) 720-1400.

8.0 OTHER INFORMATION

8.1 Paperwork Reduction Act

In accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. chapter 35), the information collection requirements associated with the programs, as covered in this Notice, have been approved by the Office of Management and Budget (OMB) under OMB Control Number 0570–0064.

8.2 National Environmental Policy Act

All recipients under this Notice are subject to the requirements of 7 CFR part 1970. However, awards for planning and working capital grants under this Notice are classified as a Categorical Exclusion in accordance with 7 CFR 1970.53(a)(3) and (b)(2), and usually do not require any additional documentation. The Agency will review each grant application to determine its compliance with 7 CFR part 1970. The Applicant may be asked to provide additional information or documentation to assist the Agency with this determination.

8.3 Federal Funding Accountability and Transparency Act

All Applicants, in accordance with 2 CFR part 25, must be registered in SAM and have a UEI as stated in Section 4.3 of this Notice. All recipients of Federal financial assistance are required to report information about first-tier subawards and executive total compensation in accordance with 2 CFR part 170.

8.4 Civil Rights Act

All grants made under this Notice are subject to Title VI of the Civil Rights Act of 1964 as required by the USDA (7 CFR Part 15, Subpart A-- Nondiscrimination in Federally-Assisted Programs of the Department of Agriculture - Effectuation of Title VI of the Civil Rights Act of 1964) and Section 504 of the Rehabilitation Act of 1973, Title VIII of the Civil Rights Act of 1968, Title IX, Executive Order 13166 (Limited English Proficiency), Executive Order 11246, and the Equal Credit Opportunity Act of 1974.

8.5 Equal Opportunity for Religious Organizations

- a. Faith-based organizations may apply for this award on the same basis as any other organization, as set forth at, and subject to the protections and requirements of, this part and any applicable constitutional and statutory requirements, including 42 U.S.C. 2000bb et seq. USDA will not, in the selection of recipients, discriminate for or against an organization on the basis of the organization's religious character, motives, or affiliation, or lack thereof, or on the basis of conduct that would not be considered grounds to favor or disfavor a similarly situated secular organization.
- b. A faith-based organization that participates in this program will retain its independence from the Government and may continue to carry out its mission consistent with religious freedom and conscience protections in Federal law. Religious accommodations may also be sought under many of these religious freedom and conscience protection laws.
- c. A faith-based organization may not use direct Federal financial assistance from USDA to support or engage in any explicitly religious activities except when consistent with the Establishment Clause of the First Amendment and any other applicable requirements. An organization receiving Federal financial assistance also may not, in providing services funded by USDA, or in their outreach activities related to such services, discriminate against a program beneficiary or prospective program beneficiary on the

basis of religion, a religious belief, a refusal to hold a religious belief, or a refusal to attend or participate in a religious practice.

8.6 Nondiscrimination Statement

In accordance with Federal civil rights laws and USDA civil rights regulations and policies, the USDA, its Mission Areas, agencies, staff offices, 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.

Program information may be made available in languages other than English. Persons with disabilities who require alternative means of communication to obtain program information (e.g., Braille, large print, audiotape, American Sign Language) should contact the responsible Mission Area, agency, or staff office; or the 711 Relay Service.

To file a program discrimination complaint, a complainant should complete a Form AD-3027, USDA Program Discrimination Complaint Form, which can be obtained online at https://www.usda.gov/sites/default/files/documents/ad-3027.pdf from any USDA office, by calling (866) 632-9992, or by writing a letter addressed to USDA. The letter must contain the complainant's name, address, telephone number, and a written description of the alleged discriminatory action in sufficient detail to inform the Assistant Secretary for Civil Rights (ASCR) about the nature and date of an alleged civil rights violation. The completed AD-3027 form or letter must be submitted 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; or

(2) Fax: (833) 256-1665 or (202) 690-7442; or

(3) Email: program.intake@usda.gov

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