



**Agricultural Marketing Service**  
U.S. DEPARTMENT OF AGRICULTURE



DELAWARE DEPARTMENT OF  
**AGRICULTURE**

**A COOPERATIVE AGREEMENT WITH USDA-AMS &  
THE DELAWARE DEPARTMENT OF AGRICULTURE**

**RESILIENT FOOD SYSTEMS INFRASTRUCTURE (RFSI)  
GRANT PROGRAM**

**REQUEST FOR APPLICATIONS (RFA)  
Due April 30, 2024**

## TIMELINE

|                           |   |
|---------------------------|---|
| <b>March 12, 2024</b>     | Release of Request for Proposals  |
| <b>March 21, 2024</b>     | Grant workshop held virtually/online  |
| <b>April 30, 2024</b>     | Grant proposals due   |
| <b>May 6-10, 2024</b>     | Evaluation team to select proposals to be included in Delaware's State Plan |
| <b>August 15, 2024</b>    | Anticipated USDA-AMS approval of Delaware's State Plan                      |
| <b>September 1, 2024</b>  | Grant agreements due to DDA   |
| <b>September 15, 2024</b> | Anticipated Project start date (subject to change)                          |
| <b>March 14, 2027</b>     | All projects conclude   |
| <b>May 24, 2027</b>       | Final reports due to DDA  |

## PROGRAM DESCRIPTION

The U.S. Department of Agriculture (USDA) Agricultural Marketing Service (AMS) is entering into cooperative agreements with each U.S. State and Territory for Resilient Food Systems Infrastructure Program Cooperative Agreements (RFSI). This program is intended to provide similar support to that provided in other USDA funding for meat and poultry processing, but for the non-meat and poultry sectors. States will partner with USDA to make competitive subawards to support infrastructure in the middle-of-the-supply-chain for domestic food and farm businesses and other eligible entities. States may use a limited portion of funds to develop and/or strengthen the State's supply chain coordination and targeted market development services for local and regional produced products.

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), aquaculture, and other sectors (excluding meat and poultry products, which are funded through other USDA programs), and 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.

This is a competitive grant program. The Delaware Department of Agriculture (DDA) will award grants, as a reimbursement, to eligible applicants for projects or activities related to processing, transportation, aggregation, storing, and distribution of locally and regionally produced food products, including specialty crops, dairy, grains for human consumption, aquaculture, and other food products. Ineligible products include meat and poultry, fiber, wild-caught seafood, exclusively animal feed and forage products, landscaping products, tobacco, and dietary supplements.

## AVAILABLE FUNDING & PROJECT DURATION

RFSI is funded through Section 1001(b)(4) of the Federal American Rescue Plan Act of 2021. The DDA will offer RFSI funding to Infrastructure Project Grants through a competitive subawards process administered according to the USDA requirements. (RFSI Program Scope and Requirements\_FY23 sections 1.5 - 1.5.8).

Using a standardized review process, the DDA will award:

- Infrastructure Project Grants with a minimum of \$100,000 to a maximum of \$1,156,597 for infrastructure projects and activities.
- Simplified Equipment-Only Project Grants, which uses a simplified application to fund smaller grants between \$10,000 and \$100,000. 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 only equal the cost of the equipment up to \$100,000).

The DDA reserves the right to offer an award amount less than the amount requested.

All awarded projects must be completed by **March 14, 2027**, and no extensions will be permitted. **Projects cannot begin until USDA-AMS has announced the official award, a Grant Agreement between DDA and the approved applicant has been signed and returned, and a purchase order for the sub-award has been completed.**

## ELIGIBLE APPLICANTS

To ensure that applications submitted to the RFSI Program may be reviewed in an objective manner, the Review Panel will use a scoring rubric to assess all applications that will be made available online at <https://de.gov/rfsi>.

- Agricultural producers or processors, or groups of agricultural producers and processors.
- Nonprofit organizations operating middle-of-the-supply-chain activities such as processing, aggregation, and 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 on 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). Please visit [SBA's Size Standards webpage](#) for more information on these size standards. 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, and distribution of targeted agricultural products.
- Tribal governments operating middle-of-the-supply-chain activities such as processing, aggregation, and 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, and distribution of targeted agricultural products.

All applying businesses and organizations must be domestically owned, and project facilities must be physically located in Delaware.

## APPLICATION REQUIREMENTS

The following must be completed by the time the application is submitted:

- Obtain a Unique Entity ID (UEI): All entities eligible to receive funds through this Program must register with the Federal System for Award Management ([www.sam.gov](http://www.sam.gov)) and obtain a Unique Entity ID. This may include updating as required by the Federal government. Registering allows entities to do business with the Federal government and ensures that federal funds are not paid to organizations that have been suspended or disbarred. **Please note that sam.gov registration may take several weeks, so apply early if you intend to submit an application.**
- Complete a W-9 Form: Applicants must complete a W-9 form online at <https://esupplier.erp.delaware.gov>. The State of Delaware does not accept the federal W-9 form. Registration, updates, or changes must be made through the e-Supplier portal. To register for the first time as a supplier with the state of Delaware, the [New Supplier Registration Guide](#) will help walk you through the process. If you have signed up in the past as a supplier to receive payment, you might still need to update your information to reactivate your account. If you have additional questions, consult the [State of Delaware's Division of Accounting W-9 Frequently Asked Questions](#). (Note: If you select ACH for payment, it will be deposited directly into the account you provide.)

This does expedite the payment process.)

- For Infrastructure Projects:
  - A complete Infrastructure Grant Project Proposal is required for all projects. Submission of the following documents is required:
    - Verification of Matching Funds Letter
    - Collaborating Organization Letter(s)
    - Critical Resources Infrastructure Letter(s)
    - RFSI Applicant Environmental Questionnaire
  - If selected for submission to USDA-AMS, DDA will conduct an Environmental Prescreening using the AMS-ENV-A Environmental Prescreening Worksheet, and if needed, the AMS-ENV-B Environmental Screening Worksheet.
  - Once the proposal is submitted to USDA-AMS and the proposal is approved, the applicant will receive a Grant Award Agreement to sign and return.
  - Quarterly, Annual, and Final Reports are required for all projects.
- For Simplified Equipment-Only Grant Projects:
  - A complete RFSI Equipment-Only Grant Project Proposal. Submission of the following documents:
    - Critical Resources Infrastructure Letter(s)
    - RFSI Applicant Environmental Questionnaire
  - Documentation to substantiate the costs of each piece of equipment, which can include contracts, catalog pricing, or binding quotes provided by licensed commercial entities.
  - If selected for submission to USDA-AMS and the proposal is approved, the applicant will receive a Grant Award Agreement to sign and return.
  - Quarterly, Annual, and Final Reports are required for all projects.
- All proposals selected as part of the Delaware RFSI Grant Proposals will be submitted to USDA-AMS and reviewed by the USDA Review Board (Board). The Board may respond with questions and recommendations for individual proposals requiring a timely response from the applicant to receive final USDA approval.

## COST SHARING AND MATCHING

**Matching Funds Requirement:** Infrastructure grant project recipients are required to contribute 50% of the total proposed project cost as a match to the grant. This applies to all applicants except those who qualify for the reduced match described in the next bullet.

- **No match is required for Simplified Equipment Only Projects.**
- **Reduced Matching Funds– Historically Underserved Groups**
  - For [historically underserved farmers and ranchers](#) or other businesses that qualify under [SBA categories](#) of small, disadvantaged businesses, women-owned small businesses, or veteran-owned small businesses, the required match funding contribution or cost share is reduced to 25% of the project cost. Applicants must self-certify in their Infrastructure Grant applications to being eligible for this reduced match.

**Other Matching Fund Information:** In-kind contributions are defined, when used as a cost share or match for a grant, as the value of goods or services provided for the benefit of the grant program, where no funds transferred hands. For example, a partner, such as a tribal community member, may volunteer their professional expertise as a match contribution to the project as described in [2 C.F.R. § 200.306\(e\)](#). These contributions cannot satisfy a cost-share or matching requirement for this grant program if they are used to satisfy a match requirement under any other federal grant agreement to which the applicant is a party.

- All matching contributions must be committed or secured when an applicant is recommended for an award.
- Indirect costs may count toward the Infrastructure Grant Project recipient’s match. Refer to [USDA-AMS RFSI Program Scope and Requirements Section 4.2](#), Indirect, for more information.
- Program income (as defined in [2 C.F.R. § 200.1](#)) or any other Federal funds is an ineligible source of match or cost share.

**Matching Funds and Letters of Verification:** Each application must include the total amount of match and how it will specifically align with their requested funding. Additionally, applicants must submit one match verification letter for EACH cash or in-kind resource signed by the matching organization. The applicant must submit and upload the match verification using the “**Verification of Matching Funds Template Letter,**” which must include the following:

- Project Applicant
- Project Title
- Cash Commitment per year (if applicable) and Total Cash Match
- In-kind Contribution per year (if applicable) and Total In-kind Match. Break down items into categories as applicable:
  - Salaries (employee name, title, duties, pay rate/hr., amount matched per year)
  - Items/Activities (fair market value per unit, how value is determined, and amount matched per year)
  - Explanation of how each type of match will correspond to the budget or be used by the applicant.
- Signature of Matching Organization Representative with typed name and title.

Signed Verification of Matching Funds Letter(s) must accompany the Infrastructure Grant Project proposal to DDA at the time of application.

## ELIGIBLE PROJECTS

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 specifically allocated to the project’s work 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.

**Allowable Activities & Projects:** The RFSI Program will focus on funding Infrastructure Grant activities in each state 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 the 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.
- Support the construction and/or renovation of buildings and land with the following allowable costs: additions, improvements, modifications, replacements, rearrangements, reinstallations, renovations, alterations, or construction on an existing building or facility. The construction of new buildings at an existing facility and of wastewater management structures. This also includes construction and construction-related materials, which may include but are not limited to, the purchase of building materials such as wood, nails, concrete, asphalt,

roofing, gravel, sand, paint, insulation, drywall, or plumbing.

- Modernize or expand an existing facility (including expansion and modifications to existing buildings and/or construction of new buildings at existing facilities).
- Modernize processing and manufacturing equipment.
- 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.

The Delaware Department of Agriculture has conducted stakeholder outreach to determine the middle-of-the-supply-chain needs. Delaware will be funding projects that:

- Provide technical assistance to producers working to develop value-added products.
- Expand access to climate-smart technologies for farmers and food waste management.
- Increase the number of facilities that support product aggregation, cold storage, warehousing, and distribution of targeted agricultural products.

Examples include:

- Expanding processing capacities, including adding product types, increasing production volumes, and supporting new wholesale/retail product lines.
- Modernizing equipment or facilities through upgrades, repairs, 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.
- Construction of a new facility.
- Increasing packaging and labeling capacities that meet compliance requirements under applicable laws (e.g. sealing, bagging, boxing, labeling, conveying, and product moving equipment).
- Increasing storage space, including cold storage.
- 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.
- Training on the use of all equipment purchased under the grant and associated new processes.

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

- Hiring term-limited personnel to assist with project implementation activities.
- Analyzing potential facility upgrades and changes that meet regulatory requirements, obtaining design and/or architecture services, etc. (to the extent these costs are directly related to the project).
- Planning for Hazard Analysis Critical Control Points (HACCP) or other food safety or worker safety measures or equipment recommendations.
- Upgrades or new facilities for processing specific agricultural products, such as:
  - On-farm post-harvest processing, preservation, and storage/cold storage.
  - Post-harvest cleaning and grading.
  - Aggregator warehouse and storage, including cooperatives.
  - Purchase of freezing equipment, freezer, or cold storage.
  - Processing, canning, preserving and pasteurization.
  - Preparation and packing.
  - Drying, hulling, shelling, and milling.

- Cooking, baking, juicing, distilling, and fermenting.
- Purchasing special purpose equipment as defined in [USDA-AMS Resilient Food Systems Infrastructure Program: Program Specific Terms and Conditions Section 2.0](#) Allowable and Unallowable Cost and Activities for Infrastructure Grants. **Special purpose equipment purchases are allowable when provided in the approved budget or with prior written approval for acquisition costs and rental costs of special purpose equipment provided the following criteria are met:**

**Allowable:**

- Purchases of special purpose equipment (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) are allowable when approved in the agreement budget or with prior written approval. All equipment purchases must meet the following criteria:
  - Equipment is necessary for the technical activities of the agreement and is not otherwise reasonably available and accessible.
  - Equipment is normally charged as a direct cost by the organization and is acquired in accordance with organizational practices.
  - Equipment must be used solely to meet the purpose of the program and objectives of the agreement.
  - Equipment is subject to the full range of acquisition, use, management, and disposition requirements under [2 CFR § 200.313](#) as applicable.

**Unallowable:**

- Purchases of general-purpose equipment (e.g., general-use motor vehicles, office furniture, office air conditioners, printers, and copiers) or lease agreements to own (i.e., lease-to-own or rent-to-own).

**Activities Not Eligible:** The following activities are *not eligible* for funding:

- Acquiring real property, including purchasing land, new buildings, and new facilities, or any interest therein.
- Projects focused on meat and poultry processing or other ineligible agricultural products, as noted in [USDA-AMS RSFI Program Scope and Requirements Section 1.2.1](#).
- Compensation for injuries or damage to property arising from project activities.
- Marketing costs, including recipients using funding for marketing their product(s)/service(s) or organization.
- 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.
- Projects already receiving funding from another federal grant or sub-award program may not receive funding for the same activities through an infrastructure grant. However, Infrastructure Grants may build on the successes of prior funding, such as the USDA Regional Food Business Centers Business Builder subawards, to fund subsequent activities.

**Evidence of Critical Infrastructure:** 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 working condition at the time of application submission. Applicants should use the **Critical Resources Infrastructure Template Letter**, which must include the following:

- Project Applicant Name
- Project Title
- A statement about committing/approving/granting permission, etc. of the critical resource or infrastructure to the project for the project period.
- A description of 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.

**National Environmental Policy Act:** The DDA is required to ensure that Infrastructure Grant recipients comply with the National Environmental Policy Act (NEPA), National Historic Preservation Act (NHIPA), Endangered Species Act (ESA), and all other federal environmental laws and regulations. DDA is required to review projects for NEPA compliance before the award of Infrastructure Grant subaward funds. To do this, all applicants must complete the RFSI Applicant Environmental Questionnaire. If selected for submission to USDA, DDA will conduct an environmental screening using **AMS-ENV-A Environmental Prescreening Worksheet** and the **AMS-ENV-B Environmental Screening Worksheet**. Applicants should review the [RFSI Programmatic Environmental Assessment](#) to help determine impact.

## APPLICATION INFORMATION

**Foundant Online Platform:** Applications must be completed using Foundant, an online platform. DDA is working with the Delaware Community Foundation to manage the Foundant platform for ease of access to applications and all program reporting materials.

**Access Here:** <https://delcf.org/grants/>

1. Create a login for Foundant.
2. Access the system to complete or upload the following:
  - Applications
  - Required letters and documents included as part of the application package, as outlined in this RFA
  - All reports, including quarterly, annual, and final performance reports
  - All receipts and invoices requiring reimbursement, including proof of purchase documents
3. Nonprofit entities must upload the IRS determination letter of their entities' nonprofit status.

**Application Completion:** Applications must be submitted in their entirety, including all supporting documents. Incomplete applications will not be given further consideration.

**Application Due Date:** Applications must be completed using the online platform Foundant, <https://delcf.org/grants/>. Foundant is hosted and operated by the Delaware Community Foundation.

Applications are due no later than **4:30 p.m. on Tuesday, April 30, 2024**. ***Applications must be received by the grant deadline date and time.*** No late or incomplete applications will be accepted.

**For More Information:** The dedicated website for Delaware's Resilient Food Systems Infrastructure Program information is <https://de.gov/rfsi>.

If your questions are not answered after reviewing the website, you may email programmatic questions or inquiries to the Delaware Department of Agriculture: [DDA\\_farmandfoodpolicy@delaware.gov](mailto:DDA_farmandfoodpolicy@delaware.gov)

## REVIEW PROCESS AND CRITERIA

A Review Panel will review all qualifying proposals after the grant application submission deadline. The panel comprises 3-5 members of the agriculture and food industry, individuals representing the food access and consumer sectors, and an individual with research and or systems background/expertise. Applications will be evaluated based on standard criteria in the Review Panel Criteria Form, which will be made available at <https://de.gov/rfsi>.

The DDA will submit a State Infrastructure Grant Proposal, including a compiled set of project profiles based on the AMS-provided narrative template, one for each project DDA proposes to fund. Each proposal will be reviewed by a USDA Review Board (Board) against the criteria outlined in [USDA-AMS RFSI Program Scope and Requirements Section 1.5.5](#).



and to ensure that the project aligns with the program purpose, provides reasonable geographic coverage within the state, supports a diversity of targeted agricultural products appropriate to Delaware, prioritizes underserved producers and businesses, and supports the program goals of the USDA-AMS Resilient Food Systems Infrastructure Program. Applicants will be notified during the review process if adjustments to the scope of work or proposed budgets are necessary.

## GRANT AWARDS

**Notification of Award:** Grant agreements will not be issued to sub-awardees until USDA-AMS has accepted the proposals and no other information or revisions are needed.

Successful proposals will be chosen on the project's merits as they relate to the published criteria and will be included as part of the Delaware State Infrastructure Grant Project Proposal, which will be submitted to USDA-AMS for review. Applicants will be notified in writing whether their project is selected for inclusion in the Delaware Proposal. Following USDA-AMS approval of the Delaware State Plan, applicants will be notified and sent a Grant Award Agreement to sign.

**Grant Award Agreement:** Each applicant must sign a Grant Award Agreement with the DDA indicating their intention to complete the proposed tasks and authorizing the DDA to monitor the proposed project's progress.

Grant Award Agreements must be signed and returned to the DDA within 15 days of receipt. Failure to submit an executed copy of the Grant Award Agreement within 15 days of receipt could result in the loss of awarded grant funds unless the DDA approves the delay.

Duration for Grant Award Agreements may last up to thirty-one (31) months (March 14, 2027), depending on the project type. The DDA will write your grant award agreement based on the information you provide, so it is important that you carefully complete the application.

## REPORTING REQUIREMENTS & COMPLIANCE

**All reports will be submitted online through the Foundant portal. DDA and the USDA Review Board (Board) can request more information or clarification on project work outlined in reports. All inquiries must receive a timely response from the approved applicant.**

**Quarterly Reports:** Approved applicants must submit quarterly reports to DDA detailing the project status and how grant funds were used to achieve project outcomes outlined in the grant application. Quarterly reports must be submitted within thirty (30) days after the end of the quarter using the online Foundant portal.

- Quarter 1: September 15 – December 14
- Quarter 2: December 15 – March 14\*
- Quarter 3: March 15 – May 14
- Quarter 4: May 15 – September 14

***\*Note: For Quarter 2, approved applicants will submit their annual report instead of a quarterly report to coincide with the USDA-AMS annual reporting requirements.***

**Annual Reports:** Approved applicants must submit written performance reports annually to the DDA detailing the project status and how grant monies were used to achieve project outcomes outlined in the project proposal submitted with the grant application packet. The first report will be due to the DDA within thirty (30) days following the end of Quarter 2 and subsequently for each annual report, except for the final report.

**Final Report:** Approved applicants must submit a final report within sixty (60) calendar days of the project agreement end date.

In addition to the final project report, DDA reserves the right to conduct a follow-up survey of funded projects to determine long-term impacts.

**Reporting Compliance:** Approved applicants who do not submit reports on time or submit incomplete reports may be required to return previously disbursed funds to DDA and may be removed from consideration for future funding.

## PROJECT EXPENDITURES AND REIMBURSEMENT

The Delaware RFSI Program will make payments on a reimbursement basis only.

Approved applicants will be reimbursed for eligible project expenditures up to the approved Grant Amount. Only costs incurred between the Grant Start Date and Grant End Date, as specified in the Grant Agreement, are eligible for reimbursement.

Approved applicants must submit invoices with detailed receipts with the quarterly report through the online Foundant portal; however, applicants can submit for reimbursement more frequently, but not less than weekly, including any outstanding payments.

Invoices with detailed receipts shall be submitted to DDA within thirty days after the end of each quarter, except for the final quarter of the project period. These expenses must match what was written in the approved project proposal/state plan submitted to USDA-AMS. All expenditures against a grant are tracked through the Delaware First State Financial System.

## MONITORING

The DDA and USDA-AMS reserve the right to perform site monitoring visits to all approved applicants to ensure that work progresses within the required time frame and that fiscal procedures are followed accurately and appropriately. Monitoring may include both financial and program information as well as site visits.

## OTHER CONSIDERATIONS

**Debarment, Suspension, Criminal or Civil Convictions:** Applications will also be reviewed based on an entity's status related to the following: the entity and its principals are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency; have not been convicted or indicted under criminal or civil statutes or had one or more public transactions terminated for cause or default within the past three years. You are required to disclose if any of the following conditions apply to the entity or principals, including all key grant management personnel:

Within the 3-year period preceding the application, the applicant or its principals have been convicted of, or had a civil judgment rendered against them, for:

- fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction.
- violation of a Federal or State antitrust statute; or embezzlement, theft, forgery, bribery, falsification, or destruction of records.
- false statements or receipt of stolen property.

The applicant or its principals are presently indicted or otherwise criminally or civilly charged by a governmental entity (Federal, State, or local) with commission of any of the offenses enumerated above. Within a 3-year period preceding the application, the applicant or its principals had any public transaction (Federal, State, or local) terminated for cause or default.

**Delinquency on Federal Debt:** Any organization or individual indebted to the United States and has a judgment lien filed against it for a debt to the United States is ineligible to receive a federal grant or funds. Applicants are required to inform the DDA if they are delinquent on any Federal debt. If an applicant discloses delinquency, DDA may not award the grant until the debt is satisfied or satisfactory arrangements are made with the agency to which the debt is owed.

Anyone who has been judged to be in default on a federal debt and has had a judgment lien filed against him or her should not be listed as a participant in an application for the RFSI Program until the judgment is paid in full or is otherwise satisfied. No funds may be re-budgeted following an award to pay such an individual. DDA will disallow costs charged to awards that provide funds to individuals violating this requirement.

**Past Performance:** An applicant may be removed from consideration in the screening stage if they previously received funding from the DDA and failed to adequately deliver on that funding condition. Failure to perform may include, but is not limited to:

- Inability to responsibly manage funds.
- Inability to adhere to reporting requirements.
- Failure to provide agreed-upon deliverables.

## PROGRAM ADMINISTRATION INFORMATION

**Substantial Involvement:** A cooperative agreement is a legal financial assistance instrument between a Federal awarding agency and a recipient or a pass-through entity and any sub-recipients. (See [2 CFR § 200.1.](#)) A cooperative agreement is distinguished from a grant in that it provides for substantial involvement of the Federal awarding agency in carrying out the activity contemplated by the Federal award.

USDA-AMS will be substantially involved throughout the period of performance of the award. Substantial involvement may include, but is not limited to, the following:

- USDA will maintain engagement to ensure that implementation maintains consistency across states and in alignment with RFSI Program purpose while also being responsive to the specific needs of the producers in the state. This may include coordinating state partner meetings.
- Sharing expertise and resources on local and regional food systems, market development, value chain coordination, or other topics identified as useful to support state RFSI Program activities.
- Providing specific direction or redirection of work during the period of performance, including reallocation of Infrastructure Grant Project funds or supply chain coordination funds to alternative projects or uses, as needed.
- Developing and disseminating clear and consistent branding for this program. USDA will coordinate with states on all award announcements to ensure they are amplified at the federal level and provide opportunities for USDA officials to attend announcement events if feasible. States will also coordinate with USDA on events, ribbon-cuttings, or other events to highlight the success of Infrastructure Grant projects.
- Collaborating with States on data collection methods and data analysis for performance reports.

**Disposition of Improved Properties:** The recipient cannot encumber property improved as part of the cooperative agreement award and must follow the requirements of [2 CFR §200.311](#) before disposing of the property. The real property will be used for the originally authorized purpose as long as needed for that purpose. When real property is

no longer needed for the originally authorized purpose, the recipient must obtain disposition instructions from USDA-AMS. The following alternatives will apply:

1. Retain title after compensating the Federal awarding agency as described in [2 CFR Part 200.311\(c\)\(1\)](#).
2. Sell the property and compensate the federal awarding agency as specified in [2 CFR Part 200.311\(c\)\(2\)](#); or
3. Transfer the title to the Federal awarding agency or to a third party designated/approved by the Federal awarding agency as specified in [2 CFR Part 200.311\(c\)\(3\)](#).

**Acknowledgment of Support:** In addition to the [USDA-AMS General Terms and Conditions](#) Section 11.0 Acknowledgement of Support, this program also requires that the recipient follow AMS requirements for signage and acknowledgment of funding from the American Rescue Plan Act. USDA-AMS will provide guidance on necessary signage.

**Build America, Buy America Act (BABA):** Any public infrastructure project funded under this cooperative agreement must coordinate with USDA-AMS to ensure adherence to BABA guidance. For such projects, the recipient must comply with the Buy America Sourcing requirements outlined in the Build America, Buy America provisions of the [Infrastructure Investment and Jobs Act](#).

## OTHER INFORMATION

### Definitions

**Beginning Farmer or Rancher:** 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 streets/parks, shared-used kitchens, 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 Project 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 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 include 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:** 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](http://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](http://sba.gov)) for more information.