



# **OKLAHOMA** **Agriculture, Food and Forestry**

## **Resilient Food Systems Infrastructure Program**

### **Grant Application Manual**

**Application Due Date: February 23, 2024**  
**A PDF version must be received via email by 5:00 PM CST**

Copies of this publication may be obtained at the Oklahoma Department of Agriculture, Food, & Forestry website at: <https://ag.ok.gov/economic-development-and-agriculture-markets/>

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The Oklahoma Department of Agriculture, Food & Forestry (ODAFF) is announcing their solicitation process to award Resilient Food Systems Infrastructure (RFSI) grants for proposals that build resilience in the middle of the supply chain and strengthen local and regional food systems. ODAFF was awarded funds for the program by the U.S. Department of Agriculture (USDA) Agricultural Marketing Service (AMS). The funds will be granted to food and farm businesses and other eligible entities through a competitive proposal process. Proposals should look to create more diverse local and regional market options and create more economic opportunities for communities by creating new revenue streams for Oklahoma producers.

The RFSI program serves as an important component of ODAFF & 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 purpose of the RFSI program is to make competitive grants for projects to expand capacity and infrastructure for the aggregation, processing, manufacturing, storing, transporting, wholesaling, or distribution of targeted local and regional agricultural products. This program is intended to support food system crops and products meant for human consumption. Ineligible products include meat and poultry products, which are funded through other USDA programs; wild-caught seafood; animal feed and forage products; fiber; landscaping products; tobacco; and dietary supplements.

ODAFF and USDA encourages projects that benefit underserved farmers and ranchers, new and beginning farmers and ranchers, veteran producers, and processors and other middle-of-the-supply-chain businesses owned by socially disadvantaged individuals, as defined by the Small Business Administration (SBA).

## 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.
- **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.
- **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.
- **Grant Recipient:** RFSI subaward recipients who are awarded an Infrastructure or Equipment Only Grant by the Lead State Agency, who is the primary recipient.
- **Institutions:** These include organizations such schools (K-12; colleges/universities), hospitals, food banks, 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.
- Middle of the Supply Chain: activities that take place after the production of the agricultural product but before the product is sold to consumers. These activities include the processing, aggregation, and distribution of agricultural products between leaving the field and entering the marketplace
- 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."
- 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.
  - **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.

## Eligible Grant Projects

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).

Infrastructure Grants will fund projects that expand capacity and infrastructure for the aggregation, processing, manufacturing, storing, transporting, wholesaling, or 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; and
- Training on the use of all equipment purchased under the grant and associated new processes.

## **Eligible Entities**

Entities eligible for RFSI Grants are:

- 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. \*
- 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.

\* 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 website. For a quick check on whether your business qualifies, please use the Size Standards Tool.

All applicant businesses and organizations must be domestically owned, and applicants' facilities must be physically located in Oklahoma. Applicants doing business along the state's border or have locations in multiple states should only apply in one state to avoid duplication of federal funds.

The USDA defines the middle of the food supply chain as activities that take place after the production of the agricultural product but before the product is sold to consumers. These activities include the processing, aggregation, and distribution of agricultural products between leaving the field and entering the marketplace. Therefore, grant funds cannot be used for cultivation, harvest, or retail marketing of eligible food products.

## **Funding**

### Infrastructure Grants

RFSI funds may be awarded for projects up to 2 years in duration with funding request ranging from a minimum of \$100,000.00 to a maximum of \$1,000,000.00. Matching funds will be required; see Matching Funds section below for further details on requirements. Funds will be awarded no earlier than July 1, 2024.

### Equipment-Only Grants

Equipment-Only Grants will range in value from a minimum award of \$10,000 and a maximum award of \$100,000 and do not require cost sharing or matching. The Equipment-Only Grant 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. Funds will be awarded no earlier than July 1, 2024.

Equipment-Only Grant applicants must submit documentation to substantiate the cost of each piece of equipment listed on their application. Documentation can include contracts, catalog pricing, or binding quotes provided by licensed commercial entities. The cost of delivery and installation can be covered by the grant if they are listed in the official bid. When soliciting bids, please make sure they will be honored at the time of the grant award.

## **Direct Cost**

Direct costs are costs that can be identified specifically with a particular award, project or program, service, or other organizational activity or that can be directly assigned to such an activity. Typically, direct costs include, but are not limited to, compensation of employees who

work directly on the award to include salaries and fringe benefits, travel, equipment, and supplies directly benefiting the grant supported project or program.

## **Indirect Cost**

Indirect costs (also known as “facilities and administrative costs”) are any costs that are incurred for common or joint objectives that cannot be readily identified with an individual project, program, or organizational activity. A cost may not be allocated as an indirect cost if it also incurred as a direct cost for the same purpose

If an Infrastructure Grant recipient has a negotiated indirect cost rate approved (NICRA), ODAFF is required to honor that negotiated rate, and a copy of the NICRA must be submitted with the Infrastructure Grant application. Otherwise, applicants may elect to charge a de minimis rate of 10 percent of modified total direct costs (MTDC). No documentation is required to justify the 10% de minimis indirect cost rate.

Applicants may choose not to take the full amount of indirect cost and apply the balance as part of their match. Indirect cost is not allowed for equipment only grants.

## **Matching Funds**

Infrastructure grant recipients are required to contribute 50% of the total proposed project cost as a match to federal funding. This applies to all applicants except those who qualify for the reduced match described below.

For historically underserved farmers and ranchers, or for other businesses that qualify under SBA categories of small disadvantaged business, women-owned small business, or veteran-owned small business, the required match funding contribution or cost share is reduced to 25% of the project cost. ODAFF will require that applicants 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 non-profit board member, may volunteer their professional expertise as a match contribution to the project. These contributions cannot satisfy a cost sharing or matching requirement for this grant program if they are used toward satisfying a match requirement under any other Federal grant agreement to which the applicant is a party.

All matching contributions must be committed or secured at the time an applicant is recommended for an award.



## **Matching Funds 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.

A template for the Match Verification Letter can be downloaded from ODAFF'S website.

Signed Match Verification Letters must accompany the Infrastructure Grant proposal at the time of application.

## **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 that critical resources and infrastructure necessary to support the initiation and completion of a project are in place. 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. 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.

A template for the Evidence of Critical Resources and Infrastructure can be downloaded from ODAFF'S website.

## **National Environmental Policy Act And Other Federal Laws And Regulations**

Infrastructure Grant recipients must comply with the National Environmental Policy Act (NEPA), National Historic Preservation Act (NHPA), Endangered Species Act (ESA), and all other federal environmental laws and regulations. ODAFF is required to review projects for NEPA compliance prior to the award of Infrastructure Grant subaward funds. ODAFF is responsible for assisting Infrastructure Grant recipients with obtaining any authorities, permits, easements or 9 other approvals necessary for the implementation of the activities in accordance with applicable laws and regulations.

## **Activities Eligible for Funding**

The following activities or tasks are eligible for funding:

- Hiring term-limited personnel to assist with project implementation activities.
- Purchasing special purpose equipment: defined in section 8.2 of the AMS General Terms and Conditions. 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.

- 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; and
- 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; and
  - Cooking, baking, juicing, distilling, fermenting

## **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, wild-caught seafood, exclusively animal feed and forage products, fiber, landscaping products, tobacco, or dietary supplements.
- Activities that have received a Federal award from another Federal award program for the same activity or equipment.
- Claiming 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 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.

## **UEI-SAM.gov**

All recipients of RFSI funds must have a Unique Entity Identifier number (UEI) in SAM.Gov. There is NO cost to register in SAM.gov.

## **Records Requirements**

The grantee will be responsible for setting up and maintaining a project file that contains all records of correspondence with ODAFF, receipts, invoices and copies of all reports and documents associated with the project. All records shall be subject to inspection and audit by state personnel at reasonable times. Upon request, the grantee shall produce a legible copy of any or all such records. All applicants must submit a final report for their project specifying how the goals and results were met.

## **Grant Award Agreement and Payment**

Prior to beginning work on the proposed project or receiving funding, each approved applicant will be required to sign a Grant Award Agreement with ODAFF indicating their intention to complete the proposed tasks, report results, and authorizing ODAFF to monitor the progress of the proposed project. Eligible expenses must not occur until approval is received and all parties have signed the agreement and a purchase order number has been assigned to the project.

Funds for both the Infrastructure and Equipment-Only grants will be disbursed on a reimbursement basis. Recipients will submit an invoice to ODAFF no more than once a month for reimbursement of project expenses. Invoices can only include expenses already paid for by the grant recipient

## **Non-Availability of Funds**

Every payment obligation of the State under a Grant Award Agreement will be conditioned upon the availability of funds appropriated or allocated for the payment of such obligation. If funds are not allocated and available for the continuance of the Agreement, it may be terminated by the State at the end of the period for which funds are available. No liability shall accrue to the State in the event this provision is exercised, and the State shall not be obligated or liable for any future payments or for any damages as a result of termination under this paragraph.

## **Reporting Requirements**

Annual reports are required for projects that span more than one year. A final performance report will be required within 60 days of the end date of the grant agreement.

Organizations failing to provide grant reporting (annual, expenditure, and final) and/or fail to respond to ODAFF and/or USDA-AMS requests may be required to return previously disbursed funds to ODAFF and will be ineligible to apply for future ODAFF funding.

## **Monitoring**

ODAFF reserves the right to perform site monitoring visits to any and all grantees to ensure that work is progressing within the required time frame and that fiscal procedures are

followed accurately and appropriately. Monitoring includes both financial and program information as well as site visits.

## **Competitive Review Process**

RFSI program grants will be awarded through a competitive review process. ODAFF will conduct an internal review of all applications after the submission deadline has passed to disqualify any projects that do not meet the requirements of the RFSI program. Submitted grant projects that meet all the requirements listed in this publication will be evaluated by an external review committee. Incomplete applications will be disqualified and not eligible for consideration. The committee will score each application based on the appropriate project evaluation rubric provided by ODAFF that can be viewed at <https://ag.ok.gov/economic-development-and-agriculture-markets/>. ODAFF will then combine the scores of the committee members and determine an overall rank. Top ranking applicants may be required to come before the committee to give a presentation on their proposal to assist in making their final decision on funding recommendations. The panel will provide their comments on the applications to the Oklahoma Secretary of Agriculture. Upon approval from the Secretary, applications will be submitted to USDA.

Applicants may be requested to modify or adjust their application and provide additional data. These are time sensitive and failure to provide requested information may mean applicants being withdrawn from consideration. ODAFF will submit its award recommendations to USDA-AMS for review and final approval by a USDA Review Board. Funds will be awarded no earlier than July 1, 2024.

## **Submission of Application**

1. A completed grant application in pdf form must be emailed to Jason Harvey at [jason.harvey@ag.ok.gov](mailto:jason.harvey@ag.ok.gov) no later than **5 pm on Monday February 23, 2024**. **Applications must be received by the grant deadline.** Applications that do not adhere to this deadline will not be accepted.

## **Contact Information**

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