

## **DEPARTMENT OF AGRICULTURE, TRADE AND CONSUMER PROTECTION NOTICE OF PROPOSED GUIDANCE DOCUMENTS**

Pursuant to section 227.112 of the Wisconsin Statutes, the Wisconsin Department of Agriculture, Trade and Consumer Protection (DATCP) is hereby accepting comments on the proposed guidance document:

### **DATCP Dairy Processor Grants**

#### **LOCATION OF PROPOSED GUIDANCE**

Proposed guidance document may be reviewed by accessing:

[https://datcp.wi.gov/Pages/About Us/GuidanceDocuments.aspx](https://datcp.wi.gov/Pages/About%20Us/GuidanceDocuments.aspx)

#### **SUBMITTING PUBLIC COMMENTS**

Public comments on proposed or adopted guidance document may be submitted by accessing:

[https://datcp.wi.gov/Pages/About Us/GuidanceDocuments.aspx](https://datcp.wi.gov/Pages/About%20Us/GuidanceDocuments.aspx)

#### **DEADLINE FOR SUBMISSION**

The comment period will run no fewer than 21 days after the publication of this document in the Administrative Register.

#### **AGENCY PUBLICATION**

The attached guidance document contains statements or interpretations of law under the following applicable provisions of federal law or the applicable state statutory or administrative code provisions: Wis. Stat. 20.115(4)(dm); Wis. Stat. 93.40; and Wis. Admin. Code ATPC 161, which authorize and regulate the Dairy Processor Grant Program.

#### **CERTIFICATION**

Pursuant to the authority delegated to me by the Secretary, I have reviewed the attached guidance document or proposed guidance document and I certify that it complies with sections 227.10 and 227.11 of the Wisconsin Statutes. I further certify that the guidance document or proposed guidance document contains no standard, requirement, or threshold that is not explicitly required or explicitly permitted by a statute or a rule that has been lawfully promulgated. I further certify that the guidance document or proposed guidance document contains no standard, requirement, or threshold that is more restrictive than a standard, requirement, or threshold contained in the Wisconsin Statutes.



Krista Knigge  
Administrator  
Division of Agricultural Development



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 Division of Agricultural Development  
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GUIDANCE DOCUMENT

## DATCP Dairy Processor Grant Request for Proposals

*This guidance document is based on Wis. Stat. ch. Click or tap here to enter text. and chapter(s) ATCP Click or tap here to enter text. Wis. Admin. Code. This document is intended solely as guidance, and does not contain any mandatory requirements except where requirements found in statute or administrative rule are referenced. This guidance does not establish or affect legal rights or obligations, and is not finally determinative of any of the issues addressed.*

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This is the request for proposals for DATCP's Dairy Processor Grant program. Grants are awarded annually based on funding available for licensed dairy processors to implement projects which will facilitate operational changes, improve profitability and foster innovation and economic growth. The document explains how to apply, deadlines, scoring criteria and project completion requirements for awardees.

Krista Knigge - Administrator, Division of Agricultural Development

August 13, 2019

DATE

Contributors:



## **DATCP Dairy Processor Grants**

### **Request For Proposals (RFP)**

**Applications Due: Friday, November 1, 2019**

Contact Information:

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Dairy Processor Grant materials are available on the DATCP website

[https://datcp.wi.gov/Pages/Growing\\_WI/DairyDevelopment.aspx](https://datcp.wi.gov/Pages/Growing_WI/DairyDevelopment.aspx)

## INTRODUCTION

The Dairy Processor Grant strives to improve the long-term viability of Wisconsin's dairy industry through services to dairy processing plants. DATCP's Dairy Processor Grant is available to processors to facilitate operational changes, improve profitability and foster innovation and economic growth.

## AVAILABLE FUNDS

Funds will be distributed through a competitive review process. Grants will be awarded for projects up to **\$50,000** and up to two years in duration.

## APPLICATION AND FUNDING TIMING

RFP is released	September 16, 2019
Applications due to WI DATCP	November 1, 2019
Applications scored and selected by review committee	December 31, 2019
Selected applications notified by WI DATCP	January, 2020
Approval Letters Issued by WI DATCP	January, 2020
Anticipated project start date	February 1, 2020
All projects must conclude no later than	March 1, 2022

## PARTICIPANT ELIGIBILITY

Applicants must satisfy the following criteria to be deemed eligible for funding under the Dairy Processor Grant Program. An applicant must:

- Operate a licensed dairy processing plant engaged in pasteurizing, processing or manufacturing milk or dairy products that is located in WI
- Have a project(s) that will make operational improvements, improve profitability, and/or involve a new process or innovation
- Have no outstanding state penalties or violations and be in good standing with Wisconsin Department of Financial Institutions
- Employees of Wisconsin DATCP and immediate family members (i.e. mother, father, brother, sister, spouse, and children) are not eligible to receive a grant
- Entities with a current, open DATCP Dairy Processor Grant cannot apply

## ELIGIBLE PROJECTS

The DATCP Dairy Processor Grant is designed to provide access to services and resources for proposed dairy processing plant projects that enhance or develop the current business, solve an existing problem or concern at the plant, improve production or profitability, and/or help the processor innovate. Focal areas for the grant are highlighted below. Projects could include multiple aspects from the following areas.

- Dairy plant modernization and expansion efforts to provide assistance with professional services costs related to: siting, engineering, design, layout of new facilities or production lines
- Food safety: consulting services to help pass a food safety audit or certificate needed to meet a customer driven market requirement
- Training of plant staff on food safety requirements, new technology, etc.

- Assistance for related professional services and consultants: developing new processes, wastewater treatment or handling, new uses for whey, or other product or process innovations
- Efforts to improve/enhance staff retention, training, supervisory skills, and knowledge
- Other dairy processing projects may be considered

### **ELIGIBLE EXPENSES**

Eligible project expenses include, but are not limited to:

- Operating expenses, including expenses for salaries and wages, contract and consulting services, and \*travel. (\*all travel reimbursements must follow state rate requirements.)
- Training costs to improve employee skills (eg. food safety, skills for operating new technology, managerial training, etc.)
- Equipment rental
- The purchase of supplies that the full value is ordinarily depreciable within one year and costs less than \$5000 (software, etc.)

### **INELIGIBLE EXPENSES**

Ineligible expenses include:

- Real estate purchases
- Repayment of loans or mortgages
- Rent or contract payments for time periods extending beyond the term of the grant contract
- Equipment purchases, construction, or capital expenses (items whose cost is \$5000 or more and depreciates over more than one year)
- Administrative or overhead costs that are not direct costs of the grant project
- Marketing expenses
- Legal fees
- Lobbying, fundraising, or other political activity
- Any costs incurred by any firm for work performed in the preparation of and production of a proposal or for any work performed prior to the formal execution of a contract

### **MATCHING FUNDS**

Matching funds are required at 20% of the grant request as part of proposal review. Matching funds expensed during the project must be documented in the same manner as proof of reimbursable grant expenses.

### **APPLICATION REQUIREMENTS AND SUBMITTAL PROCESS**

- The application form is located on the DATCP website at:
- [https://datcp.wi.gov/Pages/Growing\\_WI/DairyDevelopment.aspx](https://datcp.wi.gov/Pages/Growing_WI/DairyDevelopment.aspx)
- Applications must be emailed to [new\\_dom\\_email@wisconsin.gov](mailto:new_dom_email@wisconsin.gov) by 5:00pm on Friday, November 1, 2019
- If you do not have computer access to download and complete the application, contact Juli Speck at 608-224-5134

## **PROPOSAL REVIEW CRITERIA**

This is a competitive grant process. Each application will be reviewed by a committee and will receive a rating based on scoring criteria outlined on the last page entitled: *Application Scoring Criteria* section of this document. The rating score will determine the proposals to be funded.

**Preference** may be given for proposals that:

- Demonstrate an industry-wide benefit
- Involve a new process or show innovation

DATCP may require additional information and/or a plant visit to review the proposed project.

## **CONTRACTS**

DATCP will develop a contract for each funded project. **No funding commitment is final and no project may begin incurring expenses until the contract is signed by the grant recipient and DATCP.** Included with the contract, Appendix A will be completed by the grantee to finalize the details of the work plan, timeline, budget, company/consultant doing work, and implementation plan.

## **PAYMENTS**

This is a reimbursement grant. Payments will be made following DATCP's receipt of an invoice documenting expenses incurred by the grantee. An amount of 20% of the grant award will be held as a grant final payment. The final payment will be made upon submission of a final invoice and DATCP approval of a written summary report of the project. Invoices must include receipts or other proof of payment.

## **REPORTING REQUIREMENTS**

DATCP reserves the right to modify reporting requirements during the course of the project. Reporting requirements will be based on the duration and actions of the project and work plan. An end of project summary will be required of grantees. This summary report will include a minimum of:

- Brief Description of project intent
- Summary of project accomplishments and outcomes
- Other insights from project execution

In addition to this summary report, DATCP reserves the right to conduct follow-up surveys of funded projects in order to determine long-term impacts of the Dairy Processor Grant program.

## **OPEN RECORDS**

Applications submitted for funding and all related contracts and reports shall be subject to disclosure under the Public Records law. If the grant applicant or recipient requests any information be deemed a trade secret, the document should be labeled using "trade secret" and the requested status should be noted to DATCP when the document is submitted. DATCP will notify the grant recipient if a public records request is made for the information claimed to be trade secret by the grant recipient. Such information may be kept confidential by DATCP only as authorized by law (see Wis. Stat. § 19.36(5)).

## **OTHER CONSIDERATIONS**

All proposals submitted in response to this RFP become the property of DATCP. DATCP reserves a royalty-free, nonexclusive and irrevocable license to reproduce, publish, otherwise use, and to authorize others to use materials produced under this grant agreement. DATCP also reserves the right to:

- Post funded proposals, summary reports and survey findings to the DATCP website
- Reject any or all proposals received
- Waive or modify minor irregularities in proposals received after prior notification and agreement of applicant
- Clarify the scope of this program, within the RFP requirement and with appropriate notice to potential applicants, to best serve the interests of the State of Wisconsin
- Amend program specifications after their release, with appropriate written notice to potential applicants
- Require a good faith effort on part of the project sponsor to work with DATCP Subsequent to project completion to develop or implement project results in Wisconsin
- Withhold any payments when contract terms are not met
- Partially fund applications

**Wisconsin  
FY20 Dairy Processor Grant Program  
Application Scoring Criteria**

Evaluation Criteria	How well described?			Points
<b>1. Grant Application</b>	+	✓	-	10 possible
<ul style="list-style-type: none"> <li>• Is the project well organized, thought out, and explained in a way that makes sense and sounds like it can be carried out successfully?</li> </ul>				
<b>2. Statement of need</b>	+	✓	-	35 possible
<ul style="list-style-type: none"> <li>• How well does the project support at least the program goals of:               <ul style="list-style-type: none"> <li>○ Creates new capital investment in the dairy industry</li> <li>○ Develops new technologies or practices related to dairy processing</li> <li>○ Improves competitive position of the WI dairy industry</li> <li>○ Uses agricultural resources more efficiently for dairy industry</li> <li>○ Creates employment in the dairy industry</li> </ul> </li> <li>• How well does the Project Summary describe an industry need, opportunity, or innovation?</li> <li>• Is the project important and timely?</li> </ul>				
<b>3. Activities and Outcomes</b>	+	✓	-	25 possible
<ul style="list-style-type: none"> <li>• Does the project make sense? Do the activities fit the project purpose?</li> <li>• Do the outcomes fit the project activities and show that the project met the need or purpose?</li> <li>• How well do activities result in at least one positive outcome of the grant:               <ul style="list-style-type: none"> <li>○ Facilitate operational changes to the dairy plant</li> <li>○ Improve profitability of the operation</li> <li>○ Improve technical knowledge capacity of the staff and operation</li> <li>○ Model a new process or innovation</li> <li>○ Demonstrate or test a system to address dairy plant waste water management</li> </ul> </li> </ul>				
<b>4. Budget</b>	+	✓	-	20 possible
<ul style="list-style-type: none"> <li>• How well does each item in the budget relate to the described project?</li> <li>• Is each item necessary to achieve the outcome?</li> <li>• Is total amount justifiable for the return on investment?</li> <li>• How reasonable are costs for each item?</li> </ul>				
<b>5. Extra Points</b>	+	✓	-	10 possible
<ul style="list-style-type: none"> <li>• How much industry-wide benefit does the project provide?</li> <li>• Does the project involve a new or innovative process?</li> </ul>				
<b>TOTAL</b>				100 possible