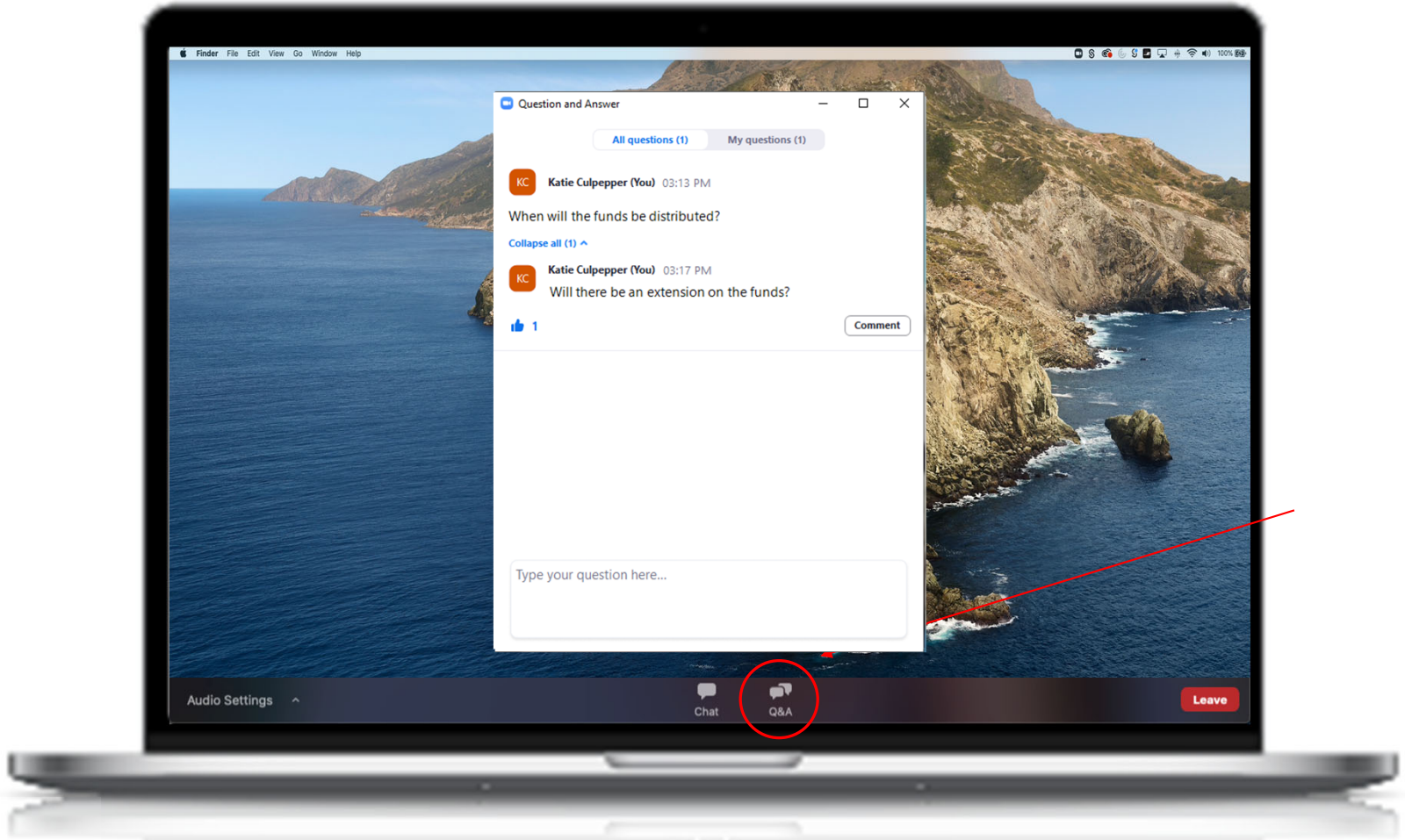APPLICANT INFORMATION SESSION

Forestry, Agriculture, & Rural Markets (FARM) Cost Share Program

Agenda

- Forestry, Agriculture, & Rural Markets (FARM) Program Objective and Overview

- Eligible Projects

- Uniform Guidance

- Applicant Requirements

- FARM Timeline

- Application Review

- Q&A Session

Forestry, Agriculture, & Rural Markets (FARM) Program Overview

FARM Program Overview

- The State of Tennessee has allocated approximately $45 million from its State Fiscal Recovery Fund (SFRF) allocation through the American Rescue Plan for the Forestry, Agriculture, & Rural Markets (FARM) Cost Share Program that will be issued in three phases.

- Additional $4 Million allocated to Tennessee Urban Farm & Forest (TUFF) Program.

FARM Program Overview

- The goal of the FARM program is to fund projects that address supply chain weaknesses exposed or exacerbated by the COVID-19 Pandemic.

- Eligible Projects will promote the stabilization of the current supply chain in addition to the strengthening of the supply chain to prevent similar problems arising in the future.

- Examples include the purchase of additional production equipment, expansion of storage space, and improvements to transportation.

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FARM Program Overview

- Overall $45 million will be awarded in three rounds of funding.
  - Applicants can only receive funding in one round.
  - Applicants can reapply in a later round if they are not chosen for funding in an earlier round.

- Cost share program
  - 50% for projects not located in at-risk or distressed counties.
  - 75% for projects located in at-risk or distressed counties.

- Maximum award amount will be $1 million and minimum award amount will be $25,000.

- Funds will be available on a reimbursement basis only.
  - Funds will be disbursed in one payment after project is completed.

Eligible Projects

- Eligible projects will include those that address supply chain weaknesses exposed or exacerbated by the COVID-19 pandemic.

- Projects may respond to a specific supply chain impact felt by your business, or respond to the general impact felt by the entire agricultural and forestry industry in Tennessee.

- Applicants must describe how your proposed project will expand the overall production capacity of business and/or how the project will address supply chain disruptions experienced by your business during the COVID-19 pandemic.

- Some examples include the purchase of additional production equipment, expansion of storage space, and improvements to transportation.

Compliance Requirements

Compliance Requirements

- FARM awards are provided through the American Rescue Plan Act (ARPA) State and Local Fiscal Recovery Funds (SLFRF), and any awardees of this program will be subrecipients that are subject to SLFRF eligibility, reporting and other compliance requirements.

- Applicants will need to obtain a Unique Entity ID (UEI) through SAM.gov as a part of the application process.

- Funds cannot be used for any expenses that have been or will be reimbursed under any other program.

Uniform Guidance – Key Requirements

As a subrecipient of federal funding, you will be subject to Uniform Guidance (UG) requirements, including but not limited to the following:

- Complying with procurement requirements of the UG and ensuring full and open competition for all goods or services.

- Complying with requirements on acquisition, title, use, asset management, and disposition of equipment purchased with FARM funds.

- Maintaining adequate records, financial statements, and source documentation to support expenses and compliance.

- Obtaining a Single Audit, depending upon the amount of Federal funds expended and entity type.

- Facilitating risk assessments and monitoring of your use of Federal funds by TDA, and taking appropriate and timely action in the event of monitoring or audit findings.

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Uniform Guidance – Procurement and Asset Use

- Procurement approval required for purchases over $10,000 and all equipment purchases.

- "Equipment" is any article of nonexpendable, tangible personal property having a useful life of more than one year and an acquisition cost of at least $5,000 per unit.

- Assets purchased with grant funds must not be encumbered or used as collateral.

- Assets must be used for the intended purpose of the program for the life of the asset or until FMV < $5,000. Funds must be repaid in event of sale or change in use.

- Failure to comply will jeopardize funding.

Uniform Guidance – Expenditure Documentation

Robust documentation will be required in order to receive reimbursement for expenses. Subrecipients should expect to maintain the following for program expenditures:

- Procurement policy, and procurement and bid documentation
- Cost/price analysis depending on procurement level
- Contracts and change orders
- Detailed invoices for work performed
- Dates worked
- For time and materials contracts, monitoring documentation

Period of Performance

- The period of performance begins on the date of fully executed contract and ends 24 months after that date.

- Work is only eligible within the period of performance.

- Under SLFRF requirements, all funds must be obligated by December 31, 2024.

- "Obligate" means orders placed for property and services, contracts and subawards made, and similar transactions that require payment.

- Funding recipients will have twenty-four months to complete their projects and submit the appropriate documentation and information.

Administrative Costs

- Recipients are permitted to request reimbursement for direct costs to their award as administrative costs. Direct costs are those that are identified specifically as costs of implementing the program objectives, such as contract support, materials, and supplies for a project.
  - This would include hiring or contracting someone to assist with program compliance, which is highly recommended

- TDA will be allowing administrative costs of up to 5% of the project value, based on actual documented expenses.

Applicant Requirements

- Applicants must be a Tennessee entity (i.e. agriculture, food, or forestry business, farmer, local government, or nonprofit in Tennessee) or have current operations in Tennessee.

- Applicants must be making an investment into the project. For projects in counties classified as distressed or at-risk, FARM funds may not be more than 75% of the project's total budget. For projects in non-distressed or not at-risk counties, FARM funds may not be more than 50% of the project's total budget.

- Applicants must submit project updates to measure impact of the funding on the applicant as well as the local economy and agree to work with the Department of Agriculture to track success of the project.

- Applicants must utilize equipment and structures reimbursed with cost share funds for the intended purpose of the program for the life of the asset.

FARM Timeline

Round 2 of Funding

- October 17 & 19, 2023 – Informational Webinars

- November 1, 2023 – Application Portal Opens

- November 30, 2023 – Application Portal Closes

- December 2023 – Award Selections are Made

- December 31, 2024 – Awardees must have obligated all funds

- December 31, 2025 – Awardees have fully expended awarded funds (24 months after award date)

Application Period

- The application portal will be open for submissions for round two of funding beginning on November 1, 2023 and ending on November 30, 2023 at 5:00pm CDT.

- Late application submissions will not be accepted.

- If we have questions regarding your application, we will contact you prior to scoring the application; as such it is imperative that contact information is accurate and that responses to our inquiries and prompt and complete.

Application Review

Application Scoring

Applications will be scored based on the following criteria:

- County of origin
- Percentage increase of operation
- Impact on TN's food & fiber supply chain
- Project readiness
- Collaboration with industry/community partners

Application Content

General information

- Entity Name

- Contact Person Information

- EIN/Tax ID

- Unique Entity Identifier (UEI)
  - It is recommended that applicants begin the process to obtain a UEI through SAM.gov now if they do not currently have one.

Application Content

Project Overview

- Description of current business

- Business operation start date

- Short description of proposed project

- County of project location

Application Content

Project Impact on Tennessee Food and Fiber Supply Chain

- Does this project address COVID-19 related supply chain issues experienced by your business or by other participants in Tennessee's food and fiber supply chain network?

- Please describe how your business impacts or will impact the supply of agricultural or forest products in Tennessee

- Please describe how this project will enhance the stability of the supply chain of agricultural and/or forestry products in Tennessee and prevent future supply chain disruptions such as those experienced during the COVID-19 pandemic.

Application Content

Increase in Operational Capacity

- How does this project increase the capacity of your current existing business?
    - Percentage increase in operational capacity
    - Define your unit of production
    - Current annual production
    - Projected annual production following project completion

- Will this project increase the efficiency of your production process?
    - Percentage increase in efficiency generated by this project
    - Description of how this project will increase the efficiency of your production process.

Application Content

Project Readiness

- A budget for your total project cost, including all shared costs
- The amount of funds being requested in FARM cost share funding
- A description of all funding sources for the required match
- A description of intended use of funds awarded by the state
- Project Timeline

Application Content

Collaboration

- Have you collaborated with any industry or community partners on this project to ensure the success and meaningful impact on the state's supply chain?

- <u>Examples:</u> Key suppliers, finished product consumers, institutes of higher learning/universities, industry/trade associations, other businesses/entities, consultants, financial advisors, government agencies, etc.

- A brief description of the nature of the collaboration

Application Content

Supporting Documents

- Completed Form W-9
- Proof of Financing
- Business/Project Plan
- Additional Supporting Documents

Application Portal

- The application portal will be available on TDA's website beginning on November 1, 2023.

- If you applied for the first round of FARM funding and were not selected for an award, you can use your preexisting credentials to login.

- If you need to create a new password, simply use the password reset function at the portal's login page.

Next Steps

- Application review process to commence as applications are received.

- TDA to conduct applicant outreach as needed to obtain additional information or clarify information included in applications.

- Award selections and announcements expected to occur in December 2023.

- Further information on cost share program activities (e.g. subrecipient agreements, invoice reimbursement process) will be provided to awardees at that time.

Additional Funding Round

- Round 3 – March 2024

*Please note that for all rounds the funds must be obligated by no later than December 31, 2024 and all funds must be expended within 2 years of the contract date.

Resources

- For further information, please see the program website https: TN.gov/FARM

- If you have program questions, send a message to the email address business.development@tn.gov

Questions?