



**DAIRY INNOVATION
GRANT GUIDELINES**

Introduction

Choose Iowa is the state's signature brand for Iowa grown, Iowa raised and Iowa made food, beverages, and other agricultural products. A marketing initiative overseen by the Iowa Department of Agriculture and Land Stewardship, Choose Iowa builds on the growing demand for local foods. Choose Iowa creates new markets for Iowa farmers and provides consumers with more local choices. Choose Iowa also offers several cost-share grants which were created to assist Iowa farmers with their efforts to increase or diversify their agricultural product offerings, and value to agricultural products, enable new technologies and support alternative marketing strategies.

Overview

- Maximum awarded up to \$100,000 per grant awardee.
 - The total amount of grant funding requested may not surpass \$100,000 per applicant including both their on-farm processing and labor reducing technology requests.
- Applicants must provide a minimum of one-to-one (1:1) financial match from private sources such as cash, financing or other non-government grant funds for total project costs. In-kind contributions are not accepted.
 - Example: An individual applying for a grant of \$5,000 must provide at least \$5,000 from other sources for a project total of \$10,000.
- Grant funds are paid out as a reimbursement after grant project(s) are completed.
- Projects cannot be in progress before a grant is awarded and must be able to be completed in 12 months or less.
- Purchases for grant project can begin after the grant agreement is finalized with signatures from the grant recipient and an IDALS representative. Purchases made before this point are not eligible for reimbursement.

Highlights	FY24	FY25
Funds available to award	\$750,000	\$750,000
Total funds requested	\$2,670,191.50	TBD
Projects awarded	20	TBD
Value of awarded projects	\$2,211,00.24	TBD

Grant Award Timeline

Grant program announced, and application period opens.	October 1, 2024
Grant application deadline	Noon CST on November 27, 2024
Committee scores applications	December 2024 – January 2025
Awardees notified, and agreements issued (once agreements are signed by both parties, purchasing can begin)	February 2025
Awardees announced	March 2025
Funds dispersed to awardees	By reimbursement during grant term (March 2025 – February 2026)

Eligible Applicants

Applicants must satisfy the following criteria to be deemed eligible for funding under the Dairy Innovation Grant program:

- Be an individual, business, agricultural cooperative, non-profit organization or local government.
- Be in good standing with the State of Iowa.
- The business must not currently be in bankruptcy.
- Currently reside or conduct business in Iowa.
- The business must not have been subject to any regulatory enforcement action related to federal, state, or local environmental, worker safety, food processing, or food safety laws, rules, or regulations within the last five years.
- Business must be permitted by the Iowa Department of Agriculture and Land Stewardship or in the process of obtaining a permit.
 - Project must be permitted activity.
- Not be an IDALS employee or immediate family member of an IDALS employee.
- Applicant must be able to provide a one-to-one (1:1) financial match for the grant. In-kind contributions not accepted.
- Membership in Choose Iowa brand program NOT required but encouraged.
- Business must employ less than 50 individuals.

Eligible Projects

Projects must address one or more of these goals:

- Create new jobs.

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- Create or expand opportunities for local small-scale milk producers to market pasteurized milk and milk products under private labels.
- Provide greater flexibility or convenience for local small-scale farmers to have milk processed.
- Reduce labor associated with the on-farm production and storage of milk.

Examples of eligible projects include but are not limited to:

- On-farm processing equipment or infrastructure such as:
 - Pasteurization equipment
 - Processing vats
 - Packaging and labeling equipment
- Labor reducing equipment or technology such as:
 - Milking robots
 - Health monitoring technology or activity systems
 - Automatic feed systems
 - Cleaning assistance tools

Ineligible Expenses

- Expenses incurred prior to grant award.
- Any costs incurred by any firm for work performed prior to the formal execution of a contract.
- Administrative or overhead costs not directly related to the grant project.
- Start-up costs such as inventory, license fees, working capital, etc.
- Costs associated with advertising, public relations, entertainment.
- Employee wages and benefits.
- Paying off existing debt, related collection costs, mortgage, loans or legal fees.
- Paying off existing fines, penalties or settlements for failure to comply with laws or regulations.
- Real estate purchases.
- Rent or contract payments for time periods extending beyond the term of the grant contract.
- Lobbying fundraising or other political activity.

Application Materials

Applicants must apply for the Choose Iowa Dairy Innovation Grant through the online application portal found at chooseiowa.com. Applicants may submit supporting documents including quotes and estimates to supplement budget details as well as letters of support with their applications.

IDALS may require additional information and/or a site visit to review the proposed project.

Agreements

IDALS will develop an agreement 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 an IDALS representative.**

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Grant agreements must be signed and returned to Choose Iowa within 30 days of receipt via the grant portal. Failure to submit an executed copy of the agreement within 30 days of receipt may result in the loss of awarded grant funds, unless the delay is approved by IDALS.

Payments

This is a reimbursement grant. Consult your legal or financial advisor regarding financial or tax considerations for any funds received.

Requests for reimbursement must be submitted via the Choose Iowa grant portal. To receive reimbursement, grantees must provide assurance the work has been completed, including submitting receipts and invoices and clearly outline expenditures. Only eligible expenses identified in the project budget as budget line items shall be eligible for reimbursement. Choose Iowa will only reimburse eligible expenses up to the actual costs and not to exceed the costs included on the budget, without the prior written consent of the Choose Iowa. Project costs shall not be changed, modified, or reallocated between budget line items without the prior written consent of the Department or Choose Iowa staff.

Reporting Requirements

A summary and photos of the completed project, including a detailed update to the project outcomes is required when submitting the final reimbursement request.

Applicants who do not submit reports on-time, and/or submit incomplete reports, may be required to return all previously disbursed funds to Choose Iowa/IDALS and/or may be removed from future funding opportunities.

Record Requirement

Grant recipients will be responsible for setting up and maintaining a project file that contains all records of correspondence with Choose Iowa/IDALS, receipts, invoices, and copies of all reports and documents associated with the project. Recipients shall retain all data and other records relating to the acquisition and performance of the Grant Award Agreement for a period of three years after the completion of the contract. 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.

Scoring Criteria

Labor reducing equipment and on-farm processing projects will be scored separately. Choose Iowa Dairy Innovation Grants are competitive and will be scored and awarded based on the following criteria:

CRITERIA	MAXIMUM SCORE
<p>Project addresses the goals of the program to create or add new jobs, expand opportunities and provide greater flexibility or convenience for local small-scale farmers, and/or reduce labor associated with the on-farm production and storage of milk</p> <ul style="list-style-type: none"> - Expand or refurbish existing milk plants or establish a new milk plant. - Expand or refurbish existing mobile dairy processing units or establish new mobile dairy processing units. - Rent buildings, refrigeration facilities, freezer facilities or equipment necessary to expand dairy processing capacity, including mobile dairy or refrigeration units used exclusively for dairy processing. - Incorporate methods and technologies that reduce farm labor associated with milk production and storage, including but not limited to the use of robotics and processes or systems that operate using computerized equipment or machinery. 	<p>25 points</p>
<p>Detailed budget and match</p> <ul style="list-style-type: none"> - Budget clearly details all project costs. - Budget clearly explains source and amount of applicant's funds for private match. - Budget is cost effective and planned purchases are backed by quotes or other sources. - Total project budget is more than double the amount of grant funding requested. 	<p>20 points</p>
<p>Work plan and timeline</p> <ul style="list-style-type: none"> - Work plan is thorough and realistic. - A detailed description of each step of the project is provided with estimated dates. 	<p>20 points</p>
<p>Business readiness, financial sustainability and experience</p> <ul style="list-style-type: none"> - Applicant demonstrates sound business management, financial aptitude and stability. - Applicant describes the financial benefit of doing the grant project. - Applicant demonstrates a need for grant funding. 	<p>15 points</p>
<p>Impact on Iowa agriculture (The extent to which measurable objectives can be determined that demonstrates the proposed project's benefit to the agriculture community)</p> <ul style="list-style-type: none"> - Impact is appropriate for the size of the grant request. - Project has both short-term and long-term impact, including jobs and investments in Iowa. 	<p>10 points</p>

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CRITERIA	MAXIMUM SCORE
Application completeness and detail - The completeness of the application information and sufficiency of detail used to describe the project in the application. - May include (but not required): quotes, estimates, letter(s) of support or affirmations of financial solvency, photos or other supporting documentation.	10 points
TOTAL	100 POINTS

Contact Information

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Appendix

List of questions in the grant application

1. Title (such as Mr., Ms., Dr., etc.)
2. Contact first name
3. Contact last name
4. Business name
5. Position title
6. Business address
7. County
8. Email
9. Cell Phone
10. Number of employees
11. Provide a brief description of your business. Include information about the business' products or services and its markets and/or customers.
12. This project includes on-farm processing, and/or this project includes labor reducing technology. (Select the correct response)
- 13. On-Farm Processing**
 - a. Requested amount for on-farm processing.
 - b. Describe the project being proposed. Describe any new products that your business will be able to offer or new revenue streams that grant funding would enable for your business.
 - c. Describe the proposed budget for the project in detail and how you plan to finance the private match requirement. Please include any quotes you have received as well as any pre-approval/commitment letters you have secured for financing.
 - i. Document upload such as quotes estimates or letters of support.
 - ii. Budget Worksheet for on-farm processing (template provided by Choose Iowa). Budget worksheet must be submitted in .xlsx or .xls file format. If you do not have Microsoft Excel, you may use an alternate free spreadsheet program such as Google sheets, then save in .xlsx or .xls file format.
 - d. Describe how this project would increase market opportunities for your business.
 - e. Provide a detailed project timeline, including the start of construction, equipment purchase/installation, project completion date, and reimbursement timing.
 - f. Will the project be completed if grant assistance is not awarded?
- 14. Labor Reducing Technology**
 - a. Requested amount for labor reducing technology.
 - b. Describe the current need you have for labor-reducing technology or equipment, how it would reduce the current labor required for your business, and how it would positively benefit your business.
 - c. Provide a detailed project timeline, including the start of construction, equipment purchase/installation, project completion date, and reimbursement timing.
 - d. Will the project be completed if grant assistance is not awarded?
 - e. Describe the proposed budget for the project in detail and how you plan to finance the private match requirement. Please include any quotes you have received as well as any pre-approval or commitment letters you have secured for financing.
 - i. Document upload such as quotes estimates or letters of support.

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- ii. Budget Worksheet for labor reducing technology (template provided by Choose Iowa). Budget worksheet must be submitted in .xlsx or .xls file format. If you do not have Microsoft Excel, you may use an alternate free spreadsheet program such as Google sheets, then save in .xlsx or .xls file format.