



Louisiana Department of Agriculture and Forestry  
Resilient Food Systems  
Infrastructure (RFSI) Program  
**FREQUENTLY ASKED QUESTIONS**

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## General Program Information

Q: Are for profit entities, such as food hubs or distribution companies, eligible for infrastructure grant funds?

A: 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 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). For more information on these size standards, please visit SBA's Size Standards webpage. For a quick check on whether your business qualifies, please use the Size Standards Tool.

Q: Why is Louisiana only receiving \$4.6 million in funding for this grant?

A: USDA made the funding decisions for each state & federal territory.

Q: Will the \$4.6 million be allocated between the two types of grants?

A: No. Funds will be allocated based on the projects that best represent the priorities of the state, which can be found in the State's RFP.

Q: Of the \$4.6 million total funding, is that broken up further by region or open to anyone statewide?

A: The funding will be statewide with underserved producers and communities being prioritized.

Q: Since USDA-AMS has the final approval on the submitted proposals, is there an appeal process if a proposal is not funded?

A: No, USDA-AMS has the final decision.

Q: Will the reviewer's score card be available to see exactly what details they are looking for?

A: Yes, the scoring rubric is in the State's Request for Proposal (RFP).

Q: Can the grant reviewers lower the amount that has been requested?

A: Yes, as well as USDA reviewers.

Q: With the REA grant program, you're expected to go through and complete your proposal even if there are no federal funds awarded. Will this program work the same way?

A: No, you will not be required to complete the project if no federal funds are awarded.

Q: What are the local sourcing requirements used for processing?

A: For purposes of this grant, local sourcing will be within 200 miles.

Q: Will there be monitoring of the projects and how will it be performed?

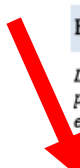
A: Yes, there will be monitoring for both types of projects. For Equipment-Only projects, once the equipment is delivered, a representative of our office will make a site visit to verify that the equipment delivered is what was requested in the proposal. For Infrastructure Projects, monitoring will take place to make sure benchmarks are being met throughout the project. This will include on-site inspections, estimated to take place every quarter.

Q: In what ways does the Build America/Buy America act apply to subrecipients for either the Infrastructure or Equipment-only grant?

A: Any public infrastructure project funded under RFSI must comply with the Buy America Sourcing requirements outlined in the Build America, Buy America (BABA) provisions of the Infrastructure Investment and Jobs Act. BABA does NOT apply to Equipment Only Grants (as they fall below the \$250,000 exception) or private for-profit entities applying for Complex Infrastructure Grants. All other Infrastructure Grant projects that surpass the \$250,000 project cost threshold of applicable procurement costs must adhere to BABA.

Q: For equipment only applications, there is only one budget line and it's for equipment. Does the equipment have to be \$5,000 per unit or can it be less than \$5,000?

A: More lines can be added to the Equipment portion of both applications by clicking on the plus sign (+) in the top left corner of the table.



EQUIPMENT					
<i>Describe any special purpose equipment to be purchased under the grant. "Special purpose equipment" such as 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.</i>					
+	#	Equipment Item	Purchase Price	Acquisition Date	Funds Requested
-			\$0.00		\$0.00
<b>Equipment Subtotal</b>					<b>\$0.00</b>

The special purpose equipment under Equipment-Only grants could potentially be less than the \$5,000 threshold per unit but still must qualify as special purpose equipment and related back to the overall scope of project activities. The overall proposal/award must still meet the threshold of a minimum of \$10,000 and not exceed \$100,000 so multiple pieces of equipment supporting the same scope of activities can be considered. Per the RFSI Program Scope and Requirements, section 1.5.1, the Simplified Equipment-Only will fund only equipment purchases (and not associated facility upgrades, staffing, or other costs). The USDA did not extend this same flexibility to infrastructure applicants since they are able to designate supplies (under \$5,000 per unit) within their budget/proposals."

Q: If your proposal would enhance the availability of production to other areas, would this qualify for this grant?

A: Yes, if they are located within the state of Louisiana.

Q: Can a project that has already been started be eligible for reimbursement? When can it qualify?

A: No reimbursement for a project that has already been started will be allowed. A project cannot be started until USDA has awarded funds for that purpose.

## Application Information

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Q: For the proposal form, technical assistance may not be available in rural areas. How can we get help?

A: Technical assistance will be available through the Louisiana Small Business Development Center, who is offering 30-minute phone calls with experts who can listen to your questions and assist you as you prepare your proposal. Use one of the links to sign up for assistance completing your proposal.

<https://calendly.com/distefano1/30min>

<https://calendly.com/kathy-vp8/louisiana-rsfi-technical-assistance>

<https://calendly.com/mushroomharvestprovisions/rfsi-technical-assistance>

Q: Equipment or infrastructure bids may only be good for 30 days. Knowing that it may take several months for approval, what should we do?

A: Discuss with your contactor or your supplier that approval will likely take several months and have them factor in any anticipated costs increases. Make sure to note on your application that any potential increases have been factored into the estimate.

Q: Will proposals from entities with different UEIs but the same ownership be treated as independent entities, or will the state decline to fund more than one proposal made by the same owners?

A: No. Only one project per individual entity, if selected, would be funded.

Q: Who is the primary contact?

A: The Authorized Representative who can sign legal documents for the company.

Q: If an applicant applies for both an Equipment-Only grant & Infrastructure grant, who determines which grant will be funded?

A: The grant review panel will decide on which application, if any, will be forwarded to the USDA-AMS for final approval. USDA-AMS will only accept one application per applicant.

Q: Can two sister companies apply if there is joint ownership?

A: Yes, each proposal will be treated as an individual proposal.

Q: Can a Cooperative apply using more than 1 location?

A: Yes, each proposal will be treated as an individual proposal.

Q: Can you apply for this grant next year?

A: No, this is a one-time grant opportunity with no plans for future support.

Q: Is there a limit to the number of letters of support that can be submitted with the proposal?

A: No, there is no limit.

Q: When leasing a facility, who would apply, the owner or lessee of the facility?

A: Only the person paying the lease is eligible. Expenses will only be reimbursed for the duration of the grant period (ending April 30, 2027).

Q: In order to ensure that all information is received with our application, will LDAF send a confirmation of the number of pages that are received?

A: Yes, a confirmation reply will be sent to applicants once their proposal and supporting documents have been received.

Q: How many bids/quotes should be submitted with an application?

A: One bid/quote is required when RFSI proposals are submitted. Should the proposal be chosen by the review panel, then the applicant would then have to submit three quotes.

## Allowable/Unallowable Cost and Activities

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Q: Are farmers markets eligible for infrastructure grants?

A: Farmers Markets are eligible to apply if they operate as an eligible entity type. Farmers Markets may qualify as a 'nonprofit organization' or another entity type, with the requirement that they meet the second part of each eligible entity description. For instance, 'nonprofit organization' includes only those that are "operating middle-of-the-supply-chain activities such as processing, aggregation, distribution of targeted agricultural products." Projects submitted by these entities are contingent on the types of activities they are conducting and if they meet the scope and intent of RFSI.

Q: Is rice the only crop eligible?

A: No, other grains are allowable. However, any gains must be for human consumption, not for feed.

Q: Is drying herbs considered a qualifying product or activity?

A: If the herbs are used for culinary products, yes, it will qualify.

Q: Is industrial hemp considered a food product?

A: No, industrial hemp is not for human consumption and is therefore not eligible.

Q: If you have a structure to build, can you build it using funds from the Equipment-Only (small) grant?

A: No, only Infrastructure funds can be used to build a building.

Q: Can money be used to convert a building that you don't own?

A: If you are leasing the building, yes.

Q: What is considered post-harvest with honey production?

A: Honey extraction would be considered as harvesting/production and therefore unallowable. However, any processing of the honey or value-added production activities of the honey or maybe even the clarification methods after extraction could be allowable under the RFSI.

Q: Is labeling equipment allowed?

A: Yes, labeling equipment is allowed, but labeling supplies are only allowed for Infrastructure Proposals

Q: Are citrus trees produced for sale an allowable product under this program?

A: The RFSI Program Scope and Requirements, Section 1.2.1 indicates food system crops and products meant for human consumption are the eligible products for RFSI funds. The citrus fruit is an eligible commodity, but the citrus tree is not.

Q: Under the Infrastructure grant, can you buy a building? What about a modular building or a prefabricated building?

A: No, buying a building is not allowed. Modular buildings, prefabricated buildings, or shipping containers can be purchased to house RFSI program approved activities for the Infrastructure Grant only. They are not allowed for Equipment-Only Proposals.

Q: Does a delivery truck need to be a refrigerated truck, or can it be a dry box truck?

A: It must be a special purpose motor vehicle not a general-purpose vehicle. A dry box truck would be eligible if it isn't used for general purposes.

Q: Are brewing/distilleries or distribution of alcohol eligible for infrastructure grants?

A: Yes, if the activities are primarily focused on the middle-of-the-supply-chain and will increase market opportunities for local and regional producers.

Q: Can we apply for equipment previously included in another grant application that hasn't been awarded yet?

A: Yes, but if funding was awarded through both grants, one source would have to be rejected, not accepted.

Q: Is AOC (Alternative Oyster Culture) an eligible product to participate in the RFSI grant?

A: Projects that expand capacity for the middle of the supply chain for farm raised aquaculture products are eligible for funding. USDA defines aquaculture as the production of aquatic organisms under controlled conditions throughout part or all their lifecycle. If these contain farming beds that the fish farms are using, then it could be allowable, however, wild-caught seafood or mollusks would be considered ineligible.

Q: Are the RFSI grant funds only for post-harvest?

A: The RFSI Program is for middle-of-the-food chain activities These activities take place between post-harvest and pre-retail.

Q: Are hemp seeds for human consumption allowed in this program?

A: Hemp seed-derived food ingredients (hulled hemp seed, hemp seed protein powder, and hemp seed oil) are eligible under the RFSI as they are meant for human consumption as a food product. Hemp derived CBD is not a food product but used as an additive making it an ineligible food product for RFSI.

Q: Will the Infrastructure Grant pay for building an Aquaculture processing plant?

A: Yes, as long as it is 100% completed prior to April 30, 2027.

Q: Can a gator (motorized vehicle larger than a 4-wheeler) be purchased to move produce from the field to the processing area?

A: No, RTV's are considered general equipment not special purpose equipment and does not qualify for this program.

Q: Can modular buildings or shipping containers be purchased for this program?

A: Yes, modular buildings or shipping containers can be purchased for the Infrastructure Grant only. They are not allowed for Equipment-Only Proposals.

Q: Would a well installed for food-safe, post-harvest ag-water qualify under the RFSI grant?

A: Installation of a well cannot be a stand-alone project. Well installation must be a cohesive component of a proposal necessary for project completion. The review process will consider the scope of the project and use of the water.

Q: Is aggregation software such as Rose for Square an allowable expense?

A: Per AMS General Terms and Conditions, software purchases are not allowable. However, the RFSI Program Scope and Requirements does allow for the funding of projects aimed at modernizing via information technology systems. Specifically, for RFSI, software purchases that align with the intent of the grant are allowable. Infrastructure Grants will fund projects that expand capacity and infrastructure for the aggregation, processing, manufacturing, storing, transporting, wholesaling, or distribution of targeted agricultural products. Please note, direct sales to the consumer (end of the supply chain) does not align with the RFSI middle of the supply chain allowable activities, however connecting producers to buyers or new market opportunities would align.

Q: Is purchasing used equipment allowed?

Proposals can include used equipment if the equipment is from an authorized vendor with documentation verifying that the equipment is in working condition.

## Financial Information

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Q: A lot of people from Distressed communities may not have match funds. Is the funding for this grant coming from IIJA?

A: No, the funding is coming from USDA – Agricultural Marketing Service (AMS)

Q: When do matching funds need to be available during the process?

A: At the time you submit your application, you must provide documentation for the matching funds.

Q: Can you use the value of a building for part of your match?

A: A portion of the building's value based on the pro-rata portion of the square footage of the building used for the project, may be used for a match. You would need to use a state licensed appraiser to make a valuation of the building. Example – 50% of your building is used for the project, so 50% of the value of the building can be used for a match.

Q: Can you use NEPA expenses in the budget?

A: Yes, NEPA expenses can be built into the budget for Infrastructure Grant Proposals only. Equipment-Only proposals do not cover NEPA expenses.

Q: Are the grant proceeds taxable?

A: Yes, 1099's will be issued to grant recipients.

Q: For 1099's, what documentation will be needed?

A: A W-9 will be sent to awardees to complete prior to funds being issued.

Q: Regarding Coops and Farmers who book (cover expenses for seeds) vegetables & seeds, can the accounts receivable for these expenses be used as matching funds.

A: No. Only processing equipment for produce is an allowable expense. Purchase of raw materials is not allowed.

Q: Engineers can get creative on valuations of deliverables. What will be the consequences for overestimating?

A: The expert panel who will score the applications will help determine if the project is valued correctly.

Q: I've already received federal funds for a different item, can I apply for this?

A: Yes, if the previous federal funds are not used for equipment or infrastructure items that you are including in your application.

Q: I received reimbursement for hay hauling from the FSA. Is this a grant that I should report?

A: No, it is not associated with food processing and therefore is not reportable.

Q: When will the proof of funds need to be provided?

A: At the time the application is submitted to LDAF.

Q: What percentage of ownership must be a minority or underserved population to qualify for a reduced match?

A: 50.1% of the entity's ownership must qualify as a minority or underserved population to qualify for the reduced match.