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**Kansas Department of Agriculture  
Resilient Food Systems Infrastructure Program**

**Request for Applications**

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## **Introduction**

The Kansas Department of Agriculture (KDA) is currently accepting applications for grant projects under the Resilient Food Systems Infrastructure program. Funds for the program were awarded to KDA by the U.S. Department of Agriculture (USDA) Agricultural Marketing Service (AMS). The funds in turn will be granted to Kansas food and farm businesses and other eligible entities to create more diverse local and regional market options and create more economic opportunities for communities, allowing them to retain more of the value chain dollar.

The RFSI program serves as an important component of 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 pandemic and recent supply chain disruptions have revealed the perils of a national food system that depends on capacity concentrated in a few geographic areas and requires many steps for food products to get from farm to fork. To be more resilient, the food system of the future needs to be more diversified, distributed, and local.

The purpose of the Resilient Food Systems Infrastructure (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.

Applications must address all information requested on the following pages to be considered for funding. Incomplete applications will not be reviewed. Projects will be evaluated and scored based on feasibility and the potential impact they will have on their community and the Kansas economy.

The 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).

## **Funding Priorities**

The Kansas Department of Agriculture will prioritize funding projects that pertain to the following gaps identified in the middle of the food supply chain in Kansas.

**Aggregation Points** – Kansas lacks aggregation points to help small- and mid-sized food and farm businesses scale up production. It is often difficult for individual producers to produce the quantity of product needed to meet the needs of large buyers on their own. Aggregation points, such as food hubs or farmer cooperatives, help individual producers fulfil bigger orders while saving costs on storage, packaging, and distribution. Currently, there are only five food hubs of varied scale in the state to assist producers with product aggregation and distribution. Many producers in rural areas are working with their neighbors and peers to aggregate product on the

farm but the costs of creating a cool/cold chain at this scale is expensive. Creating new and expanding existing aggregation points will help Kansas producers to supply product to large buyers such as the hospitality industry, grocery store chains, and regional and broadline distributors who typically source their products from out of state.

**Food Processing Infrastructure** – Kansas lacks food processing infrastructure for small- and mid-sized food processors. As these food processors look to expand their production capacities by adding product types, increasing production volumes, or increasing packaging and labeling capacities for retail product lines, they need to upgrade equipment and often need to move to a licensed space outside of their homes. Existing shared commercial kitchens in Kansas are often fully booked with waiting lists or inaccessible to small- and mid-sized food processors due to geographic or scheduling constraints. Many existing shared commercial kitchens also need upgrades to their structures and equipment to meet the evolving needs of their users. Capital investment is needed to help small- and mid-sized food processors purchase equipment and increase the quantity and capacity of shared commercial kitchen space statewide. Food processing infrastructure is also needed by institutions interested in purchasing local food for use in meal programs such as schools, hospitals, childcare facilities, and senior living facilities. These institutions need large-scale commercial equipment to clean, chop, slice, cook, and preserve raw, fresh food sourced locally while extending its shelf life. Many institutions struggle with the labor needs to process local food and large-scale commercial equipment can be great time-savers for efficient and cost-effective processing of local foods.

**Storage** – Another barrier to growth in the Kansas local food system is product storage. Once a product is harvested, producers need an ample area of storage to store their product for post-harvest handling and distribution. In Kansas, more storage is needed to hold produce to be washed and distributed. Limited cold storage is available in urban areas and those in rural areas often invest a lot of money into buying coolers and freezers to keep their products fresh. More storage is also needed to segregate and supply identity preserved grains, whole grains, and dry bean for human consumption to processing plants in Kansas. Funding projects to increase storage will help Kansas producers provide high quality, fresh products to growing markets and reduce product waste.

## **Eligibility**

Entities eligible for grants under the RFSI program 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, or distribution of targeted agricultural products.

- Tribal governments operating middle of the supply chain activities such as processing, aggregation, or 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, or 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 within Kansas. Applicants doing business along the state's border 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.

## **Grant Project Guidelines**

### **Definition of a Project**

A project is a set of interrelated tasks with a cohesive, distinct, specified, and defined goal. It follows a planned, organized approach over a fixed period and within specific limitations (cost, performance/quality, etc.). Additionally, it uses resources that are specifically allocated to the work of the project and usually involves a team of people.

Projects are different from other ongoing operations in an organization because, unlike operations, projects have a limited duration with a definitive beginning and end. A project will also have an overarching goal that the applicant wants to accomplish through a series of individual activities or tasks.

RFSI program 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.
- 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.
- Training on the use of all equipment purchased under the grant and associated new processes.

### **Examples of Eligible Project Activities**

Allowable activities or tasks that could be part of such projects may include:

- Hiring term-limited personnel to assist with project implementation activities.
- Purchasing special purpose equipment: defined in section 2.0 of the [Program Specific 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.
- 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
  - Cooking, baking, juicing, distilling, fermenting

## **Examples of Ineligible Project Activities**

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 or other ineligible agricultural products.
- Activities that have received a federal award from another federal award program.
- Claiming expenses that have been or will be reimbursed under any federal, state, or local government funding.

While projects which have already received funding from another federal grant or subaward programs may not receive funding for the same activities through a RFSI grant, RFSI grants may build on the successes of prior funding.

## **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.

Applicants are required to submit a letter indicating 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 using the Evidence of Critical Resources and Infrastructure Template Letter on the KDA website. The letter must be submitted with your application.

## **Infrastructure Grants**

Infrastructure Grants will range in value from a minimum award of \$100,000 and a maximum award of \$3,000,000. Funds will be awarded no earlier than July 1, 2024, and projects must be completed by December 31, 2026. Costs must be consistently charged as either indirect or direct costs but may not be double charged or inconsistently charged as both.

### **Direct Costs**

Direct costs are costs that can be identified specifically with a project that can be directly assigned to such an activity relatively easily with a high degree of accuracy. 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.

### **Indirect Costs**

Indirect 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. They generally

include facilities operation and maintenance costs, depreciation, and administrative expenses. If an Infrastructure Grant recipient has a Negotiated Indirect Cost Rate Agreement (NICRA), KDA 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).

MTDC are defined as all direct salaries and wages, applicable fringe benefits, materials and supplies, services, travel, and up to the first \$25,000 of each Infrastructure Grant. MTDCs exclude equipment, rental costs, and the portion of each Infrastructure Grant in excess of \$25,000. No documentation is required to justify the 10% de minimis indirect cost rate.

### **Matching Fund Requirement**

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. 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. KDA will require that applicants self-certify in their Infrastructure Grant applications to be eligible for this reduced match.

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 tribal community 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.

Indirect costs may count toward the Infrastructure Grant applicant's match.

Program income or any other federal funds are ineligible sources of match or cost share.

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

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 using the Match Verification Template Letter on the KDA website. Signed match verification letters must be submitted with your application.

### **Adherence to Federal Environmental 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. KDA is required to review projects for NEPA compliance prior to the award of Infrastructure Grant subaward funds. KDA is responsible for assisting Infrastructure Grant recipients with obtaining any authorities, permits, easements or



other approvals necessary for the implementation of the activities in accordance with applicable laws and regulations.

## **Simplified Equipment-Only Grants**

Simplified 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 Simplified 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, and projects must be completed by July 1, 2025.

## **Equipment Cost Documentation**

Simplified 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 which will be no earlier than July 1, 2024.

## **Grant Project Expectations**

Grant recipients will be expected to carry out their project, maintain clear and consistent communication with KDA, keep detailed records, and report progress in a timely manner. The following reports are contractual requirements as part of the grant program.

### **Quarterly Reports (Infrastructure Grants Only)**

Quarterly reports track and evaluate the project's activities, progress made in meeting the project's desired outcomes, and document expenditures. Quarterly reports are submitted every three months of the project's period of performance and are due 15 days after the end of each quarter.

### **Annual Reports (Infrastructure Grants Only)**

Annual reports summarize the project's activities and progress every twelve months of the project's period of performance and are due 30 days after the end of each grant year.

### **Final Report**

A final report is required after the completion of the grant project. Final reports summarize the project's activities and evaluate the project's ability to meet the desired objectives and outcomes. For Simplified Equipment-Only Grant projects, the final report is due July 31, 2025. For Infrastructure Grant projects, the final report is due March 31, 2027.

## **Award Payment**

Both the Infrastructure Grants and Simplified Equipment-Only Grants are reimbursement grants. This means that grant recipients will submit an invoice to KDA no more than once a month but no less than once a quarter for reimbursement of project expenses. Payments will not be issued in advance.

Invoices can only include expenses already paid for by the grant recipient. Grant recipients will be required to submit receipts for single purchases over \$1,000 with each invoice as proof of payment. Receipts are not required for personnel related expenses.

## **Application Process**

The application window will be open from November 20, 2023, to January 31, 2024, to give applicants a sufficient amount of time to develop their projects. During the application window, KDA will conduct statewide outreach to promote the grant opportunity. KDA staff are available to help answer questions about the application requirements but cannot assist in the writing of project applications.

KDA is using a grant management system called Submittable. Applicants will need to register for a free account to fill out an application. This will allow applicants to save their progress as they go and add collaborators to help write the application. Applicants will also be able to track the review status of their application through the Submittable system.

## **Competitive Review Process**

RFSI program grants will be awarded through a competitive review process. Once the application window closes, KDA will conduct an internal review of all applications to disqualify any projects that do not meet the requirements of the RFSI program. KDA will also sort the projects into three tiers based on the project type selected on their application. The three tiers will be determined by KDA leadership and will reflect the priorities identified by the feedback received during the preliminary outreach phase of the RFSI program. KDA will also prioritize applications that benefit underserved producers and communities. Based on the number of projects and dollar value of funding requested in each tier, KDA will forward a reasonable number of applications onto an external review committee.

An external review committee will score each application based on the appropriate project evaluation rubric provided by KDA. This will be the same rubric that is included in this document for transparency. KDA will then average the scores amongst the committee members to determine each project's overall rank. After the applications are ranked, KDA will look at the projects to make sure funding is being allocated statewide across the eligible agricultural sectors. KDA will also analyze the rankings to make sure an appropriate amount of funding is being distributed to socially disadvantaged producers and businesses.

Based on these factors and the rankings determined by the external review committee, a funding proposal will be presented to the Kansas Secretary of Agriculture for approval and feedback. After the state competition is complete, KDA will submit its award recommendations to the

USDA for review and final approval by a USDA Review Board. Funds will be awarded no earlier than July 1, 2024.

## Rubrics

INFRASTRUCTURE GRANT SCORING RUBRIC			
Project Area	Criteria	Maximum Points Awarded	Points Received
Distressed Communities Index	<p>Please assign points based on the <u>average</u> score of all counties listed.</p> <ul style="list-style-type: none"> <li>• 10 points = Distressed (score &gt; 80)</li> <li>• 8 points = At Risk (score 79-60)</li> <li>• 6 points = Mid-tier (score 59-40)</li> <li>• 4 points = Comfortable (score 39-20)</li> <li>• 2 points = Profitable (score &lt;19)</li> </ul>	10	
Project Need	<ul style="list-style-type: none"> <li>• Does the project address a need in the local food supply chain?</li> <li>• Does the project increase processing capacity in Kansas?</li> <li>• Does the project contribute to more and better markets for local producers?</li> <li>• Does the project create new economic opportunities in its community?</li> <li>• Does the project benefit socially disadvantaged individuals?</li> </ul>	40	
Outcomes	<ul style="list-style-type: none"> <li>• Are the project's outcomes realistic?</li> <li>• Are the project's outcomes worth the total investment?</li> </ul>	10	
Budget	<ul style="list-style-type: none"> <li>• Is the budget requested realistic for the project?</li> <li>• Are the matching funds listed adequate?</li> </ul>	15	
Feasibility	<ul style="list-style-type: none"> <li>• Is the project well-thought out?</li> <li>• Will the project reasonably be completed in 2 ½ years?</li> </ul>	15	
External Project Support	<p>Please note, letters of support are highly recommended but not required.</p> <ul style="list-style-type: none"> <li>• Is there support in the community for this project?</li> <li>• Is there support by local producers for this project?</li> </ul>	10	
<b>Review Total</b>		<b>100</b>	

<b>SIMPLIFIED-EQUIPMENT ONLY GRANT SCORING RUBRIC</b>			
<b>Project Area</b>	<b>Criteria</b>	<b>Maximum Points Awarded</b>	<b>Points Received</b>
Distressed Communities Index	Please assign points based on the <u>average</u> score of all counties listed. <ul style="list-style-type: none"> <li>• 20 points = Distressed (score &gt; 80)</li> <li>• 16 points = At Risk (score 79-60)</li> <li>• 12 points = Mid-tier (score 59-40)</li> <li>• 8 points = Comfortable (score 39-20)</li> <li>• 4 points = Profitable (score &lt;19)</li> </ul>	20	
Project Need	<ul style="list-style-type: none"> <li>• Does the project address a need in the local food supply chain?</li> <li>• Does the project increase processing capacity in Kansas?</li> <li>• Does the project contribute to more and better markets for local producers?</li> <li>• Does the project create new economic opportunities in its community?</li> <li>• Does the project benefit socially disadvantaged individuals?</li> </ul>	40	
Project Impact	Please assign points based on the estimated number of local and regional producers who will be impacted. <ul style="list-style-type: none"> <li>• 5 points = 100+ producers</li> <li>• 4 points = 50-99 producers</li> <li>• 3 points = 25-49 producers</li> <li>• 2 points = 6-24 producers</li> <li>• 1 point = 0-5 producers</li> </ul>	5	
Outcomes	<ul style="list-style-type: none"> <li>• Are the project's outcomes realistic?</li> <li>• Are the project's outcomes worth the total investment?</li> </ul>	10	
Budget	<ul style="list-style-type: none"> <li>• Is the budget requested realistic for the project?</li> <li>• Are the matching funds listed adequate?</li> </ul>	10	
Feasibility	<ul style="list-style-type: none"> <li>• Is the project well-thought out?</li> <li>• Will the project reasonably be completed in one year?</li> </ul>	10	
External Project Support	Please note, letters of support are highly recommended but not required. <ul style="list-style-type: none"> <li>• Is there support in the community for this project?</li> <li>• Is there support by local producers for this project?</li> </ul>	10	
<b>Review Total</b>		<b>100</b>	

## 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.

**Cooperatives:** A business or service organization (1) that is owned and democratically controlled by the people who use its services and (2) whose benefits (services received and earnings allocations) are distributed to the user-owners based on how much they use the cooperative.

**Critical Resources:** 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.

**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.

**Hazard Analysis and Critical Control Points (HACCP):** HACCP provides a framework for establishments to conduct science-based process controls that can be validated as effective in eliminating, preventing, or reducing to an acceptable level the food safety hazards that are reasonably likely to occur in an official establishment's particular production processes.

**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 as described at ["Historically Underserved Farmers and Ranchers."](#)

**Grant Recipient:** RFSI subaward recipients who are awarded Infrastructure Grants by the Lead State Agency, who is the primary recipient.

**Institutions:** These include organizations such schools (K-12; colleges/universities), hospitals, food banks, gleaners, 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.

**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.” See ["Small Disadvantaged Business" \(sba.gov\)](#) for more information.

**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:** 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:** 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. See "[Veteran contracting assistance programs](#)" ([sba.gov](#)) for more information.

**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. See "[Women-Owned Small Business Federal Contract program](#)" ([sba.gov](#)) for more information.