

South Carolina **DEPARTMENT OF AGRICULTURE** OFFICE OF AGRIBUSINESS DEVELOPMENT

Hugh E. Weathers, Commissioner

INCREASED PROCESSING CAPACITY AND EFFICIENCY PROGRAM OVERVIEW AND REQUIREMENTS

PROGRAM OVERVIEW

To ensure food security for South Carolina the Increased Processing Capacity and Efficiency (IPCE) for Beef initiative will address supply chain vulnerabilities identified by meat shortages during 2020 and help assist future disruptions amongst the food supply chain. There are approximately 720 livestock operations in South Carolina, representing a respectable percentage of South Carolina's agricultural economy. This program will support that industry by increasing efficiency and capacity of beef processing and further processing facilities.

Project categories can include, but are not limited to:

- Equipment and Infrastructure (including facility expansion) capacity enhancement
- Workforce Development Program Development and/or Training
- Proposals must be for processing facilities. Growing operations are not eligible to apply. Proposals should focus on stimulating the economy by increasing the capacity and efficiency of SC meat processing facilities.

Selected Grant Recipients shall provide matching funds for the grant in the amount of one dollar (\$1.00) from non-grant sources for every two dollars (\$2.00) provided by the grant. Matching funds must come from private non-federal and/ or state sources. Matching funds for this project may not be used as a match for any other federal, state, or private cost-share project. This is a reimbursement program. All **invoices received for purchases approved by IPCE contract will be reimbursed at 2:1 up to the contracted amount. Any changes to contract deliverables must be pre-approved. No reimbursements will be made without proper documentation.** The South Carolina Department of Agriculture has three million dollars in available grant funds. Should more applicants qualify for the grant than there are Grant Funds available, awards will be prorated at the discretion of the SCDA.

REQUIREMENTS

ELIGIBILITY TO APPLY:

Meets all of the following requirements:

- 1. The processing facility contracts with independent South Carolina cattle producers.
- 2. The processing facility is inspected by the United States Department of Agriculture (USDA), or the plant is a State-inspected facility.
- 3. Processing facility is in good standing with appropriate Secretary of State's office. Applicants may be required to provide a Certificate of Good Standing upon request.

APPLICATION TERMS AND CONDITIONS

Please read the Terms and Conditions carefully before completing and submitting your application. By submitting your application to SCDA, you accept and agree to the following terms and conditions:

- 1. The infrastructure investments must be made in South Carolina.
- Applicants will be required to provide a 2:1 match. For example, if the applicant requests \$20,000 dollars in grant funds, they must provide documentation of a \$10,000 match, totaling a \$30,000 project.
- If selected, applicants must complete the SCDA Financial Capabilities Questionnaire which is included as part of the Application and Project Proposal package.

- 4. The agribusiness for which the applicant is applying for must be specifically related beef processing.
- 5. The completed Application packet must be received by 5:00 pm EST on November 6, 2023 by one of the following methods:
 - a. Mail or hand-deliver hard copy applications to the following address:
 SCDA/IPCE
 1200 Senate Street
 Wade Hampton Building, 5th Floor
 Columbia, South Carolina 29201
 - b. **Or** a PDF digital copy may be emailed to: <u>ipce@scda.sc.gov</u>.
- 6. Applicants will receive Project approval or denial notifications.
- Priority will be given to applicants located in Tier IV and III counties and applicants whose businesses have a significantly positive impact in Tier IV and III counties or the South Carolina agriculture industry as a whole.
 - a. County Tiers counties are as defined by the South Carolina Department of Revenue here: <u>dor.sc.gov/resources-site/lawandpolicy/Advisory%20</u> <u>Opinions/IL21-28.pdf</u>
- 8. If applicant is selected to receive funding:
 - a. Funds will be awarded by reimbursement. Awardee will be required to turn in receipts documenting all funds spent for the proposed project.
 - Grant Funds are available as a 2:1 match. For example, if an awardee turns in a receipt totaling \$3,000, they will receive a reimbursement of \$2,000.

- ii. No more than one reimbursement per 30 days. Minimum reimbursement must total \$1,000.
- iii. Funds are only available until October 2025.
- b. Awardee will also be required to turn in quarterly reports. A template will be provided.
- c. Awardee will work with SCDA staff to set up a site visit to their operation, as needed.
- d. Awardee will be required to sign a grant agreement with SCDA.
 - i. Opportunity to extend Grant timeline and deadlines based on supply chain or delivery delays.
- e. Awardee will submit a final progress report after the distribution of grant funds is complete.
- 9. Confidentiality Undertaking: SCDA recognizes that, as part of the application process, applicants are required to provide SCDA with Confidential Information related to applicants' business and proposed project. Confidential Information means all information in tangible or intangible form that is proprietary to the applicant and has or could have value in the business or industry in which the applicant is engaged. SCDA and their officers, directors, employees, agents, consultants, and representatives will hold in trust and maintain confidential, not disclose or make available to any thirdparty whether orally, electronically, on disk, in writing, or otherwise, without prior approval of the applicant, and not use for itself or for any third party (other than a use by a party for the purposes stated above) any Confidential Information received from the applicant or applicant's agent.



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INCREASED PROCESSING CAPACITY AND EFFICIENCY (IPCE) – BEEF PHASE I APPLICATION AND PROJECT PROPOSAL

Each proposal should include the below information. Incomplete project applications may be disqualified and returned to the proposing organization without review. Information for each section should be specific and brief.

PROJECT OVERVIEW

APPLICANT BASIC INFORMATION

Contact Name (first/last)			Title	
Organization Name				
Organization Mailing Address				
City	State	Zip Code		County
Office Phone		_ Mobile Phone .		
Email		_ Fax		

CURRENT OPERATION NARRATIVE

Provide a description of your operation and company history. Include description of processes, species, capacity per week or year, percentage of current business devoted solely to cattle, number of shifts and employees (including number of full-time butcher(s)), etc. Explain how COVID-19 has affected your operation.

DURATION OF PROJECT

Note: Project timelines are limited to two years. Award funds for selected Projects will be distributed as early as March 2023, and Project must be completed by October 2025.

Start Date	End Date

PROPOSED PROJECT SUMMARY

Prioritize limiting factors - Identify a factor (or factors) that limit beef production capacity or efficiency.

Improvements - What do you plan to do to address these factors?

How will the improvements impact:

Beef Capacity (Example: number of head or pounds per unit of time) ______

Beef Efficiency (Example: number of head or pounds per man hour) _____

Number of shifts and employees (Including number of full time butcher(s))

Economic impact – Estimate the potential monetary impact on local livestock producers, employees, the business, etc.

Address how demands on labor, management, offal, etc., caused by increased production will be handled.

TIMELINE

What activities are necessary to accomplish the project objectives?

Who will do the work of each activity? If subcontractors are used, make sure you specify their role and responsibilities in performing project activities.

When will each activity be accomplished? Include timelines for accomplishing each activity.

This form, **at minimum**, must include the key activities of the project, including any proposed increase in job numbers (full time and part time) and any increase in wage (existing and new jobs). These activities should also be addressed in the budget expense tables included as part of the Application and Project Proposal.

ACTIVITY WHAT WILL BE DONE?	WHO WILL DO IT?	START DATE	COMPLETION DATE	HOW WILL COMPLETION BE MEASURED?

EXPECTED MEASURABLE OUTCOMES

What will be the distinct and measurable outcomes that directly support the project and directly relate to increased beef processing capacity?

Address the anticipated outcomes in terms of throughput as a result of this project. The measurable outcomes should include the following:

Goal (what you want to achieve or accomplish)

Performance Measures (objective, relevant valid measures of progress)

Benchmarks (standards by which project success will be measured)

Target (threshold for success)

PROJECT OVERSIGHT

Who will oversee the project activities?

How will oversight be performed? For example, will weekly or monthly meetings be held to discuss performance toward the completion of the project?

LINE ITEM & BUDGET NARRATIVE

EQUIPMENT, MATERIALS, AND INFRASTRUCTURE IMPROVEMENTS

Describe any special purpose equipment and materials to be purchased under the grant. "Special purpose equipment" is tangible, nonexpendable, personal property having a useful life of more than one year and is used only for the purpose of the project. Also describe any infrastructure improvements for the project. Add other items as needed on a separate sheet.

Remember, Grant Funds are a two to one match. For every one dollar you spend in Match Funds, you get two dollars in Grant Funds.

#	ITEM DESCRIPTION	ACQUIRE WHEN?	GRANT FUNDS (2)	MATCH FUNDS (1)	TOTAL COST
1					
2					
3					
4					
EQUIPMENT SUBTOTAL					

EQUIPMENT, MATERIALS, AND INFRASTRUCTURE IMPROVEMENTS JUSTIFICATION

For each item listed in the Budget Worksheet, describe how the item will be used to achieve the objectives and outcomes of the project. Add other items as necessary.

ltem 1	
ltem 2	
ltem 3	
ltem 4	

CONTRACTUAL COSTS

Contractual costs are the expenses associated with purchasing goods and/or procuring services performed by an individual or organization other than the applicant in the form of a procurement relationship. An example of this is a construction contract. If there is more than one contractor, each must be described separately. (Repeat this section for each contract.)

ITEMIZED CONTRACTOR(S)

Provide a list of contractors, detailing out the name, hourly/flat rate, and overall cost of the services performed. Please note that any statutory limitations on indirect costs also apply to contractors and consultants. Add other contractors as needed on a separate sheet.

Remember, Grant Funds are a two to one match. For every one dollar you spend in Match Funds, you get two dollars in Grant Funds.

#	NAME / ORGANIZATION	HOURLY / FLAT RATE	GRANT FUNDS (2)	MATCH FUNDS (1)	TOTAL COST
1					
2					
3					
4					
CONTRACTUAL SUBTOTAL					

CONTRACTUAL JUSTIFICATION

Provide for each of your anticipated contractors listed above a description of the project activities each will accomplish to meet the objectives and outcomes of the project. Each section should also include a justification for why contractual/ consultant services are to be used to meet the anticipated outcomes and objectives. Include timelines for each activity. Add other contractors as necessary.

Contractors 1	
Contractors 2	
Contractors 3	
Contractors 4	

OTHER EXPENSES

Include any expenses not covered in any of the previous budget categories. Be sure to break down costs into cost/ unit. Expenses in this section include, but are not limited to, rental expenses, permitting costs, data collection, program development, and workforce training. Add other items as needed on a separate sheet.

Remember, Grant Funds are a two to one match. For every one dollar you spend in Match Funds, you get two dollars in Grant Funds.

#	ITEM DESCRIPTION	PER UNIT COST	# OF UNITS/ PIECES PURCHASED	ACQUIRE WHEN?	GRANT FUNDS (2)	MATCH FUNDS (1)	TOTAL COST
1							
2							
3							
4							
	SUPPLIES SUBTOTAL						

OTHER EXPENSES JUSTIFICATION

Describe the purpose of each item listed and how it is necessary for the completion of the project's objective(s) and outcome(s). Add other items as necessary.

ltem 1	
ltem 2	
ltem 3	
ltem 4	

GENERAL REQUIREMENTS & INFORMATION

EXTERNAL SUPPORT

- Please provide at least two letters of support from South Carolina beef producers.
- Please provide a letter from the appropriate regulatory agency that you are currently under inspection and have no major issues.

AUTHORIZATION

By signing the application, the Authorizing Agent is guaranteeing that the information contained in this application is correct and verifiable. The Authorizing Agent is also confirming that the funds requested herein will be used for the specific purpose outlined in the application and for no other purpose.

Signature _

Date _

RETURN APPLICATION PACKET

The completed Application packet must be received by 5:00 pm EST on November 6, 2023 by one of the following methods:

SCDA/IPCE 1200 Senate Street, Wade Hampton Building, 5th Floor Columbia, South Carolina 29201 OR

A PDF digital copy may be emailed to: <u>ipce@scda.sc.gov</u>

QUESTIONS? Email <u>ipce@scda.sc.gov</u>