

Arkansas Meat and Poultry Processing Grant Program Guidelines

August 21, 2020

Purpose

The Arkansas General Assembly appropriated \$5 million in federal funds to support Arkansas meat processors, available under section 601(a) of the Social Security Act, as added by 5001 of the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act"). The Arkansas Department of Agriculture ("Department") will administer the Meat and Poultry Processing Grant Program.

The Meat and Poultry Processing Grant was created to support Arkansas meat and poultry processing facilities, with fewer than 200 employees, to address supply chain disruptions and mitigate health and environmental impacts as a result of the COVID-19 public health emergency. Projects should aim to improve food supply resilience through increasing livestock or poultry slaughter, expanding meat or poultry processing capacity, or promoting worker safety. Grants may reimburse workforce assistance, equipment, capital improvements and other eligible costs incurred from March 1, 2020 through November 30, 2020.

Funding will be available for federally inspected and custom exempt slaughter and processing facilities. Both existing facilities and new facilities that will soon be in operation are eligible to apply. All facilities must provide proof of their current or anticipated inspection status no later than November 30, 2020.

Reimbursement Grant Program Parameters

1. The grant program is statewide.
2. Each eligible meat and/or processing facility or prospective facility is limited to one application.
3. A total of \$5 million in grant funding is available. The Department reserves the right to modify grant awards if total eligible applicant reimbursable expenses exceed the appropriated \$5 million program cap.
4. A grant award can be used to reimburse up to 90% of eligible expenses. Reimbursable costs shall be incurred from March 1, 2020 through November 30, 2020 and must improve food supply resilience during the COVID-19 public health emergency.
5. The Department will establish a committee to review proposals for eligibility, demonstrated need in response to the ongoing COVID-19 public health emergency, and project impact. Projects should aim to improve food supply resilience through increasing livestock or poultry slaughter, expanding meat or poultry processing capacity, or promoting worker safety.

Eligible Applicants:

Applicants must meet the following requirements to be eligible for a grant award:

1. The applicant must be an existing meat and/or poultry processing facility or a prospective facility that anticipates having a federal grant of inspection, application of federal grant of inspection, or equivalent status, no later than November 30, 2020.
2. The applicant must be a meat and/or poultry processing facility located in Arkansas;

3. The applicant must be a meat and/or poultry processing facility with fewer than 200 employees;
4. The applicant must be registered to do business in Arkansas and in Good Standing with the Secretary of State, if applicable;
5. Prior to award reimbursement, the applicant must submit a W-9 to the Arkansas Department of Agriculture.

Timeline

The Arkansas Department of Agriculture will accept applications beginning on August 21, 2020 and will receive applications through September 30, 2020.

- August 21, 2020: Applications and guidelines made available
- September 30, 2020: Last day to submit an application
- October 5, 2020: Applicants notified of acceptance or denial
- November 30, 2020: Last day that eligible expenses may be incurred for reimbursement
- December 15, 2020: Deadline for all expenditure and reimbursement documentation to be submitted to the Department

Eligible Activities and Expenses

The Arkansas Department of Agriculture (“Department”) will establish a committee to review grant proposals for necessity, reasonability, and eligibility of costs based on U.S. Department of Treasury guidance for CARES Act fund distribution. U.S. Department of the Treasury guidance on eligible costs is updated regularly, therefore, eligible costs are subject to change. The Department reserves the right to make changes to, and final determination of, eligible program costs.

Generally, projects should aim to improve food supply resilience through increasing livestock or poultry slaughter, expanding meat or poultry processing capacity, or promoting worker safety as a result of the COVID-19 public health emergency. Grants may reimburse up to 90 percent for workforce assistance, equipment, capital improvements, and other eligible costs incurred from March 1, 2020 through November 30, 2020. Tentative eligible costs have been identified below:

Eligible Costs

- Capital improvements to expand capacity (including expansion and modifications to existing buildings and/or construction of new buildings at existing facilities)
- Upgrades to utilities (including water, electric, heat, refrigeration, freezing, and waste facilities)
- Livestock intake and storage equipment
- Processing and manufacturing equipment (including cutting equipment, mixers, grinders, sausage stuffers, smokers, curing equipment, pipes, motors, pumps, and valves)
- Packaging and handling equipment (including sealing, bagging, boxing, labeling, conveying, and product moving equipment)
- Warehouse equipment (including storage and curing racks)
- Waste treatment/management equipment (including tanks, blowers, separators, dryers, digesters, and equipment that uses waste to produce energy, fuel, or industrial products)

- Facility reconfiguration (including labor and materials for changes necessary to meet social distancing guidelines)
- Technology that allows increased capacity or business resilience (including software and hardware related to business functions, logistics, inventory management, plant production controls, temperature monitoring controls, and website design enabling e-commerce)
- Rental of buildings, facilities, or equipment necessary to expand capacity or facilitate social distancing (including mobile slaughter units and mobile refrigeration units used exclusively for meat or poultry processing)
- Costs associated with increased inspections or becoming inspected (including USDA Inspector Overtime, HACCP consultation)
- Costs associated with COVID-19 sanitation and worker safety supplies (PPE, hand sanitizer, employee prescreening equipment, face coverings)
- Costs associated with employer provided COVID-19 testing
- Other business adaptation and diversification activities (explain how expenses are necessary to expand capacity or promote worker safety)

Ineligible Activities

- Funds cannot be used for meat and/or poultry processing facilities that employ 200 employees or more
- Funds cannot be used for meat and/or poultry processing facilities engaged in illegal activity under federal or state law or regulation
- Ineligible expenses may include those expenses that have been or will be reimbursed under any federal, state, or local government funding
- Expenses that have been or will be reimbursed by insurance

Grant Participation Process

1. Submit a grant proposal, including supporting documentation as indicated on the application, on or before September 30, 2020.
2. The Department will receive applications and establish a committee to review applications.
3. Applicant awards will be determined at the discretion of the Department review committee based on the applicant's eligibility, eligible costs, and overall availability of program funds.
4. Applicant receives written approval or denial from the Department once the review process is completed (target date is October 5, 2020).
5. Applicant submits a reimbursement form and supporting documentation to access the funds no later than December 15, 2020. The Reimbursement Form may be submitted one time per applicant. Supporting documentation includes, but is not limited to: final report detailing the activities and project goals completed, detailed listing of expenses, all paid invoices/detailed receipts/proof of payment, photographs(s) of the completed project, and inspection status.
6. Applicant receives reimbursement for eligible expenses from the Department.

Grant Application Instructions

Grant applications must be submitted online at
<https://www.cognitofrms.com/ArkansasAgriculture1/grantapplication>

Additional Requirements and Information

1. The Department reserves the right to inspect and audit the project site for as long as one year following the final payment received by the applicant.
2. If project costs exceed the budget included with the application, grantees will be required to finish the proposed project without an increase in the grant award.
3. Applicants who commit fraud or misrepresentation, or who do not adequately document or retain sufficient documentation, shall be subject to state and federal civil and criminal recourse to the extent permitted by law.
4. The applicant must retain records relating to the grant for a period of at least five years from the date of the final reimbursement payment received by the applicant for this grant. The applicant must agree that such records will be submitted to the Department or its designees or representatives upon request or upon audit of the completed project by the Department or other authorized state or federal authorities.
5. In awarding funds under this program, the Department may coordinate with other agencies or entities that the Department deems necessary.

Questions?

For questions related to the application process, contact:

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