REQUEST FOR PROPOSALS



Farmer-Led Fund

for Watershed Protection

A grant program for farmer-led watershed groups in Wisconsin

Grant duration: 12 months, with option to renew up to three additional years

Grant budget: \$100,000 per grant maximum in first year, future years negotiable

Q&A webinar: January 6th, 2025, 3-4pm (register here)

Deadline: Proposals will be reviewed and negotiated on a rolling basis through March 31, 2025

OVERVIEW:

Sand County Foundation (SCF) is launching a new funding opportunity for farmer-led groups in Wisconsin. The goal of the Farmer-Led Fund (FLF) is to protect water quality by improving soil health and maintaining continuous living cover through local farmer networks. SCF invites proposals from farmer-led groups with 501(c)(3) status, or their fiscal sponsors.

This program is operated independently of the Producer-Led Watershed Protection Grant (PLWPG) program from the Wisconsin Department of Agriculture Trade and Consumer Protection, but it intends to accelerate the progress of farmer-led groups that share the same objectives of the PLWPG program. Our goal is to help bring farmer-led watershed initiatives to scale, including but not limited to PLWPG-funded groups.

Funding for the FLF comes from a Regional Conservation Partnership Program (RCPP) award to SCF from the USDA Natural Resources Conservation Service (NRCS). The FLF utilizes the Alternative Funding Arrangement option of RCPP, which allows substantial flexibility in how financial incentives are structured.

Farmer-led groups receiving a FLF grant can offer cash incentives to farmers per acre of practice applied, or by outcome (e.g., pounds of phosphorus or tons of sediment reduction). They may also offer short-term land rental payments to convert cultivated acres to prescribed grazing, harvestable buffers, or perennial crops. Alternatively, groups can pay contractors in lieu of farmers to deliver services such as soil sampling or seeding of cover crops or prairie strips. In all cases, participating farmers must meet USDA program eligibility requirements, and all practices must follow NRCS conservation practice standards.

FLF grant recipients—not the NRCS—are responsible for delivering nearly all aspects of their projects. The grant recipient and partners must recruit farmers, provide appropriate technical assistance, distribute financial assistance, verify practice installation, and communicate necessary information with SCF. SCF will provide program guidance, online tools for tracking enrollment and outcomes, and reimbursement of costs once practices are applied. SCF staff within a reasonable distance of farmer-led groups (see map below) may be available to offer on-the-ground technical assistance as well.

Proposed budgets must allocate at least 75% of funds to the direct installation of conservation practices (i.e. Financial Assistance, or "FA"). Up to 25% of funds may be dedicated to staffing or other direct costs for project management, promotion, practice design, and verification of outcomes (i.e. Technical Assistance, or "TA"). No indirect costs are allowed.

ELIGIBLE ACTIVITIES:

Options for using Financial Assistance (FA) funds include:

- Pay for practice—Payments to farmers and/or landowners per acre or other unit of conservation practice implemented
- Pay for outcomes—Payments based on lb or ton of phosphorus or sediment eliminated from runoff; must be measured or modeled
- Pay for service—Payment to a service provider or vendor to custom apply a practice for farmers, in lieu of direct payments to farmers
- Land rental—Payments to offset up to three years of foregone income in converting row crop acres to perennial practices
- Other incentive structures—alternative funding approaches proposed by farmer-led groups, subject to RCPP program requirements.

Options for using Technical Assistance (TA) funds include:

- Project coordination and management—Must directly support project delivery
- Project promotion and farmer recruitment—Must explicitly promote the project
- Conservation practice design and installation—Must be completed by qualified individuals*
- Conservation practice verification—Must comply with NRCS practice standards*
- Outcome estimation or measurement—Must be completed using models or monitoring

*Personnel must demonstrate a capacity to implement NRCS practice standards and specifications, such as through NRCS Job Approval Authority, Technical Service Provider status, or other experience/knowledge recognized in advance by the NRCS.

Projects should emphasize improving soil health and maintaining continuous living cover. Structural practices may be considered if the applicant can secure necessary technical expertise. To be competitive, proposals should focus on just one practice or a few conservation practices and apply them efficiently for a maximum number of farmers and acres.

HOW TO APPLY:

Submit these two documents to office@sandcountyfoundation.org:

- 1) A copy of your most recent application to the PLWPG program application (whether or not it was funded). If your group has never applied to PLWPG before, you must fill out an example application using the FY2025 PLWPG form.
- 2) The attached Farmer-Led Fund proposal form (see separate pdf):

REVIEW CRITERIA:

SCF will review proposals with consideration of the following criteria:

Capacity: Personnel, leadership, and experience, such as prior successful implementation of projects (with or without PLWPG funding)

Scope/Impact: Number of farms and acres likely to participate, and potential for farmers to continue practices after project funding expires

Accessibility: Ability for farmers to participate with minimal hassle and delay, and potential to reach farmers who have not previously benefitted from conservation incentives

Matching: Cash or in-kind contributions from non-USDA sources leveraged by the group

SELECTION:

Proposals will be considered on a rolling basis. All proposals will receive an initial reply from SCF within two weeks of submission. Proposals that meet initial review criteria will be asked to provide additional details (incentive design, staffing capacity, budgets, etc), after which SCF may elect to offer a sub-award grant agreement. We anticipate making grants for up to \$500,000 total in 2025, depending on the number and quality of proposals.

GRANT ADMINISTRATION:

Grantees will submit invoices to SCF on a quarterly basis, or more frequently if necessary. All payments will be made by SCF to the grantee (not to individual farmers or contractors). Grantees must administer payments to individual farmers and/or contractors.

NOTE: this is a reimbursable grant; SCF cannot process a payment request until evidence of practice installation is provided to SCF by the grantee. Anticipate 30-60 days between submitting an invoice and receiving payment from SCF.

SCF will provide access to secure user accounts in ArcGIS Experience Builder or <u>CIBO Impact</u>, to streamline tracking of farmer enrollment, applied practices, and payment amounts.

Grantees will need to communicate frequently with SCF to ensure planned activities meet RCPP program requirements and will therefore be eligible for payment by NRCS to SCF (and in turn, from SCF to the grantee).

Annual reports will be due by the end of February each year. Grantees with current PLWPG grants will have the option to provide a copy of their recent PLWPG annual report, plus additional details requested by SCF.

SCF may request additional field-based information to allow us to quantify outcomes such as reduced nutrient and sediment losses, changes in net greenhouse gas emission, or increased habitat/biodiversity. Grantees using a pay-for-outcome option will need to use SnapPlus or other appropriate modeling tools.

FEDERAL FUNDING COMPLIANCE

Grantees will hold a sub-award with Sand County Foundation under a USDA Regional Conservation Partnership Program award between SCF and the NRCS. FLF grantees are subject to requirements of the Federal award. SCF will clearly communicate these details with FLF grantees. Indirect costs are not allowable for reimbursement under this award.

Frequently Asked Questions:

Do we need to be funded by the DATCP Producer-Led Watershed Protection Grant (PLWPG) program to qualify for FLF funding?

No. But experience gained from prior efforts, including those funded by a PLWPG, may help your proposal be more competitive. FLF funds are independent of the PLWPG, but the program intends to complement and scale up efforts of groups that have qualified or could potentially qualify for the PLWPG program (i.e. water quality focused and truly farmer-led).

Do all participants need to be in the same watershed?

No, but all should address a common water resource concern within a similar geographic area, and ideally a common drainage area for a lake or stream. PLWPG-funded groups can propose to include farms outside of their existing PLWPG-funded boundary.

Can multiple farmer groups team up to submit a single funding proposal?

Yes. We encourage groups in a similar geographic region and/or with similar farming systems and proposed conservation practices to combine efforts under a single proposal. Multi-group proposals are still limited to \$100,000 in year one, and the single lead entity submitting the proposal will be responsible for all reporting and payment requests to SCF.

Is there a minimum grant amount you will fund?

No, but keep in mind this program intends to scale up conservation practice adoption. We encourage groups to pursue projects that are larger than what the PLWPG program can fund. At the same time, proposals must present a sound justification (including likelihood for demand by farmers) for the amount requested.

Can we apply for more than one year of funding?

We encourage proposals that expect to expand activities and impacts for up to four years in total. If your proposal is selected, we will offer a grant agreement for up to 12 months with the option to continue/expand the project in subsequent years (potentially at more than \$100,000 per year), contingent on progress in year one.

What are eligible expenses?

Proposals must prioritize FA costs to physically implement practices, and may include necessary TA to assure proper implementation. Outreach and project management expenses are allowed but must complement a strong capacity to put practices on the ground. Total TA costs cannot exceed 25% of the total requested budget. All costs listed as "ineligible" on page 3 of the PLWPG FY2025 request for proposals are also ineligible for the FLF program. Also ineligible are: field research, demonstrations, monitoring, travel beyond the project area, training, food or beverages, and indirect costs.

Must we use the same payment rates that NRCS publishes each year for EQIP or CSP?

No. Groups can propose entirely new payment rates or methods, or new practice scenarios. And remember you can even pay contractors or custom applicators directly instead of paying farmers. However each applied practice must follow an NRCS practice standard. If you have a practice that does not quite fit NRCS standards or you are unsure, please contact SCF prior to applying.

Must we provide matching funds?

This is not required and there is no fixed target, but leveraging additional funding will improve your proposal's competitiveness. Partner contributions must be non-USDA, but can be from other Federal sources such as the EPA or USFWS. State sources such as PLWPG and SWRM are valid. Contributions may include any combination of cash or in-kind. Grantees must maintain documentation (including actual staff salary/fringe costs) to justify contribution value claims.

Can we use this grant along with DATCP PLWPG and TNC Challenge Grant funds?

Yes, and we encourage complementary funding, so long as the specific TA and FA costs billed to SCF are not also billed to any other program.

Can we combine FA incentives with other sources (i.e. "stack" funds) for the same practice on the same acres?

These funds cannot be stacked with other NRCS programs including EQIP, CSP, CRP, USDA Climate Smart Commodity funded programs, or other federal funds for the same practice on

the same acres. In some cases, stacking with non-Federally sourced or pay-for-outcome programs may be allowable.

Can FA funds be used to support farmers for continuing a practice they are already doing?

Per NRCS policy, FA funding must address a "resource concern", meaning funds must result in a higher level of conservation than previously achieved to improve water quality, soil quality, and/or wildlife habitat. Using cover crops as an example: if a field that applied only rye after harvest in the prior year now applies a diverse seed mix, and/or interseeds before harvest, and/or terminates after spring planting, then that field can qualify for FLF funding for up to three years.

Will local NRCS staff help us deliver our proposed project?

No. By design, RCPP's "Alternative Funding Arrangement" outsources all work to the lead partner (SCF) and sub-awardees (i.e., you). NRCS will assist only to verify producer eligibility, review payment requests from SCF, and spot-check practice installations. This RCPP award does not fund the NRCS to provide technical assistance. Applicants must propose how they and/or partners will deliver TA services. In certain regions of Wisconsin, SCF staff may be available to help deliver the program; please contact us to explore this option.

Can grant funds be used to pay for any conservation practice?

Our focus is primarily in-field or edge-of-field practices that improve soil health and/or provide continuous living cover. Structural practices may be considered if partners can provide required design and inspection expertise. If you are not sure if a practice or variation of a practices fits with this program, please contact SCF prior to applying.

Still have questions?

Please join our informational webinar on January 6th at 3pm (<u>register here</u>) and/or contact: Craig Ficenec, Senior Director—Agricultural Conservation 608-395-8402

cficenec@sandcountyfoundation.org

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Sand County Foundation Technical Support Staff



