



Mailing Address:
1 Baldwin Street
Drawer 33
Montpelier, Vermont 05633-5701

Tel.: (802) 828-2295
Fax: (802) 828-2483

**STATE OF VERMONT
JOINT FISCAL COMMITTEE**
1 Baldwin Street
Montpelier, Vermont 05633-5701

MEMORANDUM

To: James Reardon, Commissioner of Finance & Management
From: Rebecca Buck, Staff Associate *RB*
Date: August 24, 2006
Subject: Status of Grant Request

No Joint Fiscal Committee member has requested that the following item be held for review:

JFO #2263 – \$12,000 grant from the U.S. Department of Agriculture to the Agency of Agriculture, Food and Markets. These grant funds (with \$1,200 of state in-kind match and \$1,000 from participating dairy producers) will be used to provide Spanish language teaching workshops to 25 Addison County dairy farm producers. [JFO received 07/25/06]

In accordance with 32 V.S.A. §5, the requisite 30 days having elapsed since this item was submitted to the Joint Fiscal Committee, the Governor's approval may now be considered final. We ask that you inform the Secretary of Administration and your staff of this action.

cc: Michael Smith
Linda Morse
Stephen Kerr

From: Michael Obuchowski
To: Rebecca Buck
Date: 8/9/2006 8:00:04 AM
Subject: Re: 2 week request to hold date for JFO #2263

Yes, please let record show I had reservations and the initial submission was not accurate.

>>> Rebecca Buck 8/9/2006 4:38 AM >>>

Hi Obie: Today is the 2 week request to hold date for JFO #2263 (\$12,000 USDA grant for Spanish language teaching workshops for Addison County dairy farm producers). Are you ok with this item? --
Becky

CC: Steve Klein

From: "Morrison, Mary" <Mary.Morrison@state.vt.us>
To: "Michael Obuchowski" <obie@leg.state.vt.us>
Date: 8/7/2006 8:56:41 AM
Subject: JFO #2263

Rep. Obuchowski,

Here is the information I received from the program manager:

When the grant application was sent to USDA, the estimated cost of producing the book/CD was approximately \$300 each. Since then, the cost has been refined and \$150 each is a more realistic figure.

Since the cost of the book/CD is less, we can have additional books/CDs produced. We do have copyright to the book/CD and can re-produce them as the funding becomes available. The classroom training will still only involve 25 producers, but the additional books/CDs can be distributed without classroom training.

The original grant request was for approximately \$48,000 with training in more locations (including southern Vermont), but the award was only 25% of the requested amount. It was decided to conduct the pilot project in Addison county, but producers from other counties can attend. It will be on a first come, first serve basis.

Please let me know if you need further information.

Thanks,
Mary

Mary Morrison
Business Manager
Mary.Morrison@state.vt.us
Vt. Agency of Agriculture
828-3567

CC: <r buck@leg.state.vt.us>, "Hartrich, Toni" <Toni.Hartrich@state.vt.us>, "Lane, David" <David.Lane@state.vt.us>

From: Michael Obuchowski
To: Mary Morrison
Date: 8/2/2006 8:14:26 AM
Subject: RE: Questions regarding JFO #2263

The narrative in the submission says 25 producers will be trained. Are there 50 producers who need to be trained? What's going on here?

>>> "Morrison, Mary" <Mary.Morrison@state.vt.us> 8/2/2006 4:35 AM >>>
Here is the budget I received from the program manager:

\$150/producer to develop and make CD/book combination + other related learning material such as a dairy specific Spanish dictionary. This means purchasing materials for 50 producers.

Hope this helps.

Thanks,
Mary

-----Original Message-----

From: Michael Obuchowski [mailto:obie@leg.state.vt.us]
Sent: Tuesday, August 01, 2006 1:42 PM
To: Morrison, Mary
Cc: Rebecca Buck
Subject: RE: Questions regarding JFO #2263

Request an itemized budget on how and for what purpose the \$7,500 will be spent. Thank you.

>>> "Morrison, Mary" <Mary.Morrison@state.vt.us> 8/1/2006 10:37 AM >>>

I talked to the program manager, and she said that the \$300 figure had been a tentative budget. Since the grant was awarded, she talked to the producer who has come up with a new figure of \$150 each, which means we will be able to purchase more books/CDs and reach more producers.

If you need more, please let me know.

Thanks,
Mary

-----Original Message-----

From: Michael Obuchowski [mailto:obie@leg.state.vt.us]
Sent: Monday, July 31, 2006 2:32 PM
To: Morrison, Mary
Cc: Rebecca Buck
Subject: Re: Questions regarding JFO #2263

\$300 per student seems very expensive; do you have any benchmark comparisons?

>>> "Morrison, Mary" <Mary.Morrison@state.vt.us> 7/31/2006 10:16 AM

>>>

Representative Obuchowski has the following questions regarding JFO #2263 (\$12,000 USDA grant for Spanish language teaching workshops to 25

Addison County dairy farm producers):

1) In the narrative "description of service" on page 2, there is a reference to approximately 1,250 dairy producers in Vermont (this same approximate number is also referenced in a previous grant --JFO #2260).

Rep. Obuchowski seems to recall that in material distributed by Secretary Kerr at the July 18 Emergency Board meeting the number given was considerably less: approximately 1,150 or 100 fewer. Why are the numbers different and how many dairy producers are there in Vermont? This grant application was made in February 2006. As recently as August 2005, there were 1250 active dairy farms in Vermont, and as of January 1, 2006, there were 1234. By July 1, 2006, the number of active dairy farms in Vermont was 1191 -- 1153 farms milk cows, 27 milk goats, 10 milk sheep and 1 milks water buffalo.

2) The grant budget shows materials and supplies with proposed expenditures of \$300/25 students for CD's and books totaling \$7,500 (which is over half of the federal grant). Rep. Obuchowski would like specific information on why the CD's and books are costing \$300 per student. Does this expenditure include CD players? The \$300 per student is the cost for developing a CD and book specifically for dairy producers in Vermont -- not an off-the-shelf product. Producers are giving us input as to what they would like on/in the CD/book. The expenditure does not include CD players.

If you need more information, please let me know.

Thanks.

Mary Morrison
Business Manager
Mary.Morrison@state.vt.us
Vt. Agency of Agriculture
828-3567

CC: Rebecca Buck; Steve Klein

From: Michael Obuchowski
To: Mary Morrison
Date: 7/31/2006 2:32:32 PM
Subject: Re: Questions regarding JFO #2263

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>>> "Morrison, Mary" <Mary.Morrison@state.vt.us> 7/31/2006 10:16 AM >>>
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If you need more information, please let me know.

Thanks.

Mary Morrison
Business Manager
Mary.Morrison@state.vt.us
Vt. Agency of Agriculture
828-3567

CC: Rebecca Buck

From: "Morrison, Mary" <Mary.Morrison@state.vt.us>
To: "Michael Obuchowski" <OBIE@leg.state.vt.us>
Date: 7/31/2006 1:17:10 PM
Subject: Questions regarding JFO #2263

Representative Obuchowski has the following questions regarding JFO #2263 (\$12,000 USDA grant for Spanish language teaching workshops to 25 Addison County dairy farm producers):

1) In the narrative "description of service" on page 2, there is a reference to approximately 1,250 dairy producers in Vermont (this same approximate number is also referenced in a previous grant --JFO #2260). Rep. Obuchowski seems to recall that in material distributed by Secretary Kerr at the July 18 Emergency Board meeting the number given was considerably less: approximately 1,150 or 100 fewer. Why are the numbers different and how many dairy producers are there in Vermont? This grant application was made in February 2006. As recently as August 2005, there were 1250 active dairy farms in Vermont, and as of January 1, 2006, there were 1234. By July 1, 2006, the number of active dairy farms in Vermont was 1191 -- 1153 farms milk cows, 27 milk goats, 10 milk sheep and 1 milks water buffalo.

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If you need more information, please let me know.

Thanks.

Mary Morrison
Business Manager
Mary.Morrison@state.vt.us
Vt. Agency of Agriculture
828-3567

CC: <ruck@leg.state.vt.us>, "Hartrich, Toni" <Toni.Hartrich@state.vt.us>, "Lane, David" <David.Lane@state.vt.us>

Vermont Target Payment Program

Zone differential
0.65

Target Payment on Vermont Milk, Above the MILC \$14.00 at Middlebury

--- 2006 --		Prod'n.	Prod'n	2006	2006	MILC +	Difference	Cwt	Total	Cumulative
Milk	Paymt	mil. lbs.	Adjustmt	Blend	MILC	SUP	to reach	paid on	Cost for	Cost
			4.8m cap	in Vt			Target		Month	
Jun	Jul	224	0	\$12.01	\$1.00	13.01	\$0.99	2,240,000	\$2,217,600	\$2,217,600
Jul	Aug	224	0	\$12.23	\$0.80	13.03	\$0.97	2,240,000	\$2,172,800	\$4,390,400
Aug	Sep	222	10.5	\$12.29	\$0.92	13.21	\$0.79	2,115,000	\$1,670,850	\$6,061,250
Sep	Oct	210	27.0	\$12.63	\$0.82	13.45	\$0.55	1,830,000	\$1,006,500	\$7,067,750
Oct	Nov	214	34.0	\$13.00	\$0.63	13.63	\$0.37	1,800,000	\$666,000	\$7,733,750
Nov	Dec	208	46.2	\$13.13	\$0.48	13.61	\$0.39	1,618,000	\$631,020	\$8,364,770
Dec	Jan	220	49.7	\$13.13	\$0.52	13.65	\$0.14	1,703,000	\$235,230	\$8,600,000
AVG.		217	19.6	\$12.55	\$0.78	\$13.32	\$0.68	1,973,833	\$1,394,128	

Last monthly payment may be prorated

Distribution of Payments for Vermont Target Payment Program

Farm Category	Number of Farms	Percent of Farms	Percent of Prod'n & Payments	Total Monthly Production	Total Program Payments

LFOs & capped MFOs	40	3%	18%	8,518,611	\$1,536,584
MFOs, not capped	150	13%	31%	72,313,333	\$2,653,899
SFOs	967	84%	51%	138,168,056	\$4,409,517
Total	1,157			219,000,000	\$8,600,000

From: Rebecca Buck
To: mary.morrison@state.vt.us
Subject: Questions from Rep. Michael Obuchowski regarding JFO #2263

Good morning Mary:

Representative Obuchowski has the following questions regarding JFO #2263 (\$12,000 USDA grant for Spanish language teaching workshops to 25 Addison County dairy farm producers):

1) In the narrative "description of service" on page 2, there is a reference to approximately 1,250 dairy producers in Vermont (this same approximate number is also referenced in a previous grant --JFO #2260). Rep. Obuchowski seems to recall that in material distributed by Secretary Kerr at the July 18 Emergency Board meeting the number given was considerably less: approximately 1,150 or 100 fewer. Why are the numbers different and how many dairy producers are there in Vermont?

2) The grant budget shows materials and supplies with proposed expenditures of \$300/25 students for CD's and books totaling \$7,500 (which is over half of the federal grant). Rep. Obuchowski would like specific information on why the CD's and books are costing \$300 per student. Does this expenditure include CD players?

Please cc me on your response to Representative Obuchowski. Thanks. --Becky

CC: Klein, Steve; Obuchowski, Michael



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**STATE OF VERMONT
JOINT FISCAL COMMITTEE**
1 Baldwin Street
Montpelier, Vermont 05633-5701

MEMORANDUM

To: Joint Fiscal Committee Members

From: Rebecca Buck, Staff Associate *RB*

Date: July 26, 2006

Subject: Grant Request

Enclosed please find one (1) request which the Joint Fiscal Office recently received from the Administration:

JFO #2263 – \$12,000 grant from the U.S. Department of Agriculture to the Agency of Agriculture, Food and Markets. These grant funds (with \$1,200 of state in-kind match and \$1,000 from participating dairy producers) will be used to provide Spanish language teaching workshops to 25 Addison County dairy farm producers. [JFO received 07/25/06]

The Joint Fiscal Office has reviewed this submission and determined that all appropriate forms bearing the necessary approvals are in order.

In accordance with the procedures for processing such requests, we ask you to review the enclosed and notify the Joint Fiscal Office (Rebecca Buck at 802/828-5969; rbuck@leg.state.vt.us or Stephanie Barrett at 802/828-5973; sbarrett@leg.state.vt.us) if you would like this item held for committee review. Unless we hear from you to the contrary by August 9 we will assume that you agree to consider as final the Governor's acceptance of this request.

cc: Michael Smith, Secretary
James Reardon, Commissioner
Linda Morse, Administrative Assistant
Stephen Kerr, Secretary

JFO #
2263

STATE OF VERMONT
GRANT ACCEPTANCE FORM

GRANT SUMMARY: This grant for Vermont Dairy Producer Language and Cultural Training for dealing with a Hispanic workforce through teaching the producers Spanish as a second language.

FEDERAL CATALOG No.: 10-769

GRANTOR / DONOR: United States Department of Agriculture
Rural Development
City Center, 3rd Floor, 89 Main Street
Montpelier, Vermont 05602

DATE: 7/7/06

DEPARTMENT: Agriculture, Food and Markets

GRANT / DONATION: This grant will allow the Agency of Agriculture Food and Markets to Offer several workshops for farmers for introductory and intermediate Spanish for local farmers. There will also be information offered on Hispanic culture in this program.

AMOUNT / VALUE: \$12,000.00 (Federal Funds)

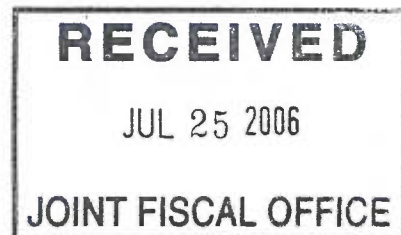
POSITIONS REQUESTED: None

GRANT PERIOD: 7/1/06 to 5/30/07

COMMENTS: There is a state in-kind match of \$1,200.00 and \$1,000.00 from participating dairy producers. The total program cost is \$14,200.

DEPARTMENT OF FINANCE AND MANAGEMENT:
SECRETARY OF ADMINISTRATION
SENT TO JOINT FISCAL OFFICE:

(INITIAL) JFO
(INITIAL) MS
DATE: 7-16-06
7/24/06



STATE OF VERMONT
REQUEST FOR GRANT ACCEPTANCE
 (use additional sheets as needed)

FORM AA-1
 (Rev. 9-90)

1. Agency: **Vermont Agency of Agriculture, Food & Markets**
 2. Department:
 3. Program: Vermont Dairy Producer Language and Cultural Training for a Hispanic Workforce aka Spanish as a Second Language (SSL)
 4. Legal Title of Grant \$12,000.00 RBEG number seven
 5. Federal Catalog No.: 10-769
 6. Grantor and Office Address: United States Department of Agriculture
 Rural Development
 City Center 3rd Floor * 89 Main Street
 Montpelier, Vermont 05602

7. Grant Period: From: 6/01/06 To: 5/30/07
 8. Purpose of Grant: The language barrier makes working with a Hispanic workforce challenging. This project will support dairy producers as they learn Spanish as a Second Language. (Details in attachments)

9. Impact on Existing Programs if Grant is not Accepted: This service will not be available to dairy producers in Vermont.

10. Budget Information:	(1st State FY)	(2nd State FY)	(3rd State FY)
	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>
EXPENDITURES:			
Personal Services	\$ 5,200.00	\$	\$
Operating Expenses	\$ 9,000.00	\$	\$
Grants	\$	\$	\$
TOTAL	\$14,200.00	\$	\$
REVENUES:			
State Funds:			
Cash	\$	\$	\$
In-Kind	\$ 1,200.00	\$	\$
Federal Funds:			
(Direct Costs)	\$ 12,000.00	\$	\$
(Statewide Indirect)	\$	\$	\$
(Department Indirect)	\$	\$	\$
Other Funds:			
(source) <u>Participating Dairy Producers</u>	\$ 1,000.00	\$	\$
TOTAL	\$14,200.00	\$	\$

Grants will be allocated to these appropriation expenditure accounts	<u>Appropriation Nos.</u> DEPTID 2200030000 FUND 22005 PROGRAM to be established	<u>Amounts</u> \$12,000.00
--	---	-------------------------------

11. Will grant monies be spent by one or more personal service contracts?

YES NO

If YES, signature of appointing authority here indicates intent to follow current guidelines on bidding.

David Lane 6/26/06
Purse Waterman 6/26/06
(Date)

12a. Please list any requested Limited Service Positions:

Titles	Number of Positions
TOTAL	

12b. Equipment and space for these positions:

- Is presently available.
- Can be obtained with available funds

13. Signature of Appointing Authority

I certify that no funds have been expended or committed in anticipation of Joint Fiscal Committee approval of this grant.

J.R. Kern
(Signature)
Secretary: Agriculture, Food & Markets
(Title)

06/21/06
(Date)

14. Action by Governor:

- Approved
- Rejected

[Signature]
(Signature)

7/19/06
(Date)

15. Secretary of Administration:

- Request to JFO
- Information to JFO

[Signature]
(Signature)

7-16-06
(Date)

16. Action by Joint Fiscal Committee:

(Dates)

- Request to be placed on JFC agenda
- Approved (not placed on agenda in 30 days)
- Approved by JFC
- Rejected by JFC
- Approved by Legislature

(Signature)

(Date)



United States Department of Agriculture
Rural Development
Vermont/New Hampshire

RECEIVED

June 27, 2006
2006 JUN 27 A 9:02

David Lane, Deputy Secretary
Vermont Agency of Agriculture, Food & Markets
116 State Street, Drawer 20
Montpelier, VT 05620-2901

STATE OF VERMONT
DEPT OF AGRICULTURE

Subject: Rural Business Enterprise Grant Request # 7
Grant Amount - \$12,000

Dear David:

Enclosed please find your copy of Form RD 1940-1, Request for Obligation of Funds. This should be filed with the Grant Agreement and the other documents required under the RBEG program.

This is your notification that your request for a grant in the amount of \$12,000 for the above project has been approved subject to the conditions stated in our letter to you dated June 16, 2006.

USDA Rural Development is pleased to provide the VAAFM with funds for this project. It is our hope that this investment will lead to greater prosperity for Vermont's Dairy Producers.

At your earliest convenience please send us a copy of the fidelity insurance and Electronic Fund Transfer form.

Sincerely,

JOLINDA H. LaCLAIR
State Director

City Center 3rd Floor • 89 Main Street • Montpelier, VT 05602 • 802-828-6080
802-828-6018 Fax • 802-828-6035 TTY • jolinda.laclair@vt.usda.gov
<http://www.rurdev.usda.gov/vt>
Committed to the future of rural communities

"USDA is an equal opportunity provide, employer and lender."

To file a complaint of discrimination write USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W.
Washington, DC 20250-9410 or call (800) 795-3272 (voice) or (202) 720-6382 (TDD).

REQUEST FOR OBLIGATION OF FUNDS

INSTRUCTIONS-TYPE IN CAPITALIZED ELITE TYPE IN SPACES MARKED () Complete Items 1 through 29 and applicable Items 30 through 34. See FMI.			
1. CASE NUMBER ST CO BORROWER ID 53-012-036000264		LOAN NUMBER	FISCAL YEAR 2006
2. BORROWER NAME State of Vermont		3. NUMBER NAME FIELDS 3 (1, 2, or 3 from Item 2)	
Agency of Agr, Food & Markets		4. STATE NAME VERMONT	
		5. COUNTY NAME WASHINGTON	
GENERAL BORROWER/LOAN INFORMATION			
6. RACE/ETHNIC CLASSIFICATION 1 - WHITE 2 - BLACK 3 - AIAN 4 - HISPANIC 5 - A/P/I	7. TYPE OF APPLICANT 1 - INDIVIDUAL 2 - PARTNERSHIP 3 - CORPORATION 4 - PUBLIC BODY 5 - ASSOC. OF FARMERS 6 - ORG. OF FARMERS 7 - NONPROFIT-SECULAR 8 - NONPROFIT-FAITH BASED 9 - OTHER	8. COLLATERAL CODE 1 - REAL ESTATE SECURED 2 - REAL ESTATE AND CHATTEL 3 - NOTE ONLY OR CHATTEL ONLY 4 - MACHINERY ONLY 5 - LIVESTOCK ONLY 6 - CROPS ONLY 7 - SECURED BY BONDS	9. EMPLOYEE RELATIONSHIP CODE 1 - EMPLOYEE 2 - MEMBER OF FAMILY 3 - CLOSE RELATIVE 4 - ASSOC.
10. SEX CODE 6 1 - MALE 2 - FEMALE 3 - FAMILY UNIT 4 - ORGAN. MALE OWNED 5 - ORGAN FEMALE OWNED 6 - PUBLIC BODY	11. MARITAL STATUS 1 - MARRIED 2 - SEPARATED 3 - UNMARRIED (INCLUDES WIDOWED/DIVORCED)	12. VETERAN CODE 1 - YES 2 - NO	13. CREDIT REPORT 2 1 - YES 2 - NO
14. DIRECT PAYMENT (See FMI)	15. TYPE OF PAYMENT 1 - MONTHLY 2 - ANNUALLY 3 - SEMI-ANNUALLY 4 - QUARTERLY	16. FEE INSPECTION 2 1 - YES 2 - NO	
17. COMMUNITY SIZE 1 - 10,000 OR LESS (FOR SFH AND HPG ONLY) 2 - OVER 10,000		18. USE OF FUNDS CODE (See FMI)	
COMPLETE FOR OBLIGATION OF FUNDS			
19. TYPE OF ASSISTANCE 081 (See FMI)	20. PURPOSE CODE	21. SOURCE OF FUNDS	22. TYPE OF ACTION 1 1 - OBLIGATION ONLY 2 - OBLIGATION/CHECK REQUEST 3 - CORRECTION OF OBLIGATION
23. TYPE OF SUBMISSION 2 1 - INITIAL 2 - SUBSEQUENT	24. AMOUNT OF LOAN	25. AMOUNT OF GRANT \$12,000.00	
26. AMOUNT OF IMMEDIATE ADVANCE	27. DATE OF APPROVAL MO DAY YR 06-16-2006	28. INTEREST RATE %	29. REPAYMENT TERMS
COMPLETE FOR COMMUNITY PROGRAM AND CERTAIN MULTIPLE-FAMILY HOUSING LOANS			
30. PROFIT TYPE 1 - FULL PROFIT 2 - LIMITED PROFIT 3 - NONPROFIT			
COMPLETE FOR EM LOANS ONLY		COMPLETE FOR CREDIT SALE-ASSUMPTION	
31. DISASTER DESIGNATION NUMBER (See FMI)	32. TYPE OF SALE 1 - CREDIT SALE ONLY 2 - ASSUMPTION ONLY 3 - CREDIT SALE WITH SUBSEQUENT LOAN 4 - ASSUMPTION WITH SUBSEQUENT LOAN		
FINANCE OFFICE USE ONLY		COMPLETE FOR FP LOANS ONLY	
33. OBLIGATION DATE MO DA YR 6 27 2006	34. BEGINNING FARMER/RANCHER (See FMI)		

If the decision contained above in this form results in denial, reduction or cancellation of USDA assistance, you may appeal this decision and have a hearing or you may request a review in lieu of a hearing. Please use the form we have included for this purpose.

CERTIFICATION APPROVAL

For All Farmers Programs

EM, OL, FO, and SW Loans

This loan is approved subject to the availability of funds. If this loan does not close for any reason within 90 days from the date of approval on this document, the approval official will request updated eligibility information. The undersigned loan applicant agrees that the approval official will have 14 working days to review any updated information prior to submitting this document for obligation of funds. If there have been significant changes that may affect eligibility, a decision as to eligibility and feasibility will be made within 30 days from the time the applicant provides the necessary information.

If this is a loan approval for which a lien and/or title search is necessary, the undersigned applicant agrees that the 15-working-day loan closing requirement may be exceeded for the purposes of the applicant's legal representative completing title work and completing loan closing.

35. COMMENTS AND REQUIREMENTS OF CERTIFYING OFFICIAL

See Attachment

Def

36. I HEREBY CERTIFY that I am unable to obtain sufficient credit elsewhere to finance my actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms in or near my community for loans for similar purposes and periods of time. I agree to use the sum specified herein, subject to and in accordance with regulations applicable to the type of assistance indicated above, and request payment of such sum. I agree to report to USDA any material adverse changes, financial or otherwise, that occur prior to loan closing. I certify that no part of the sum specified herein has been received. I have reviewed the loan approval requirements and comments associated with this loan request and agree to comply with these provisions.

(For FP loans at eligible terms only) If this loan is approved, I elect the interest rate to be charged on my loan to be the lower of the interest rate in effect at the time of loan approval or loan closing. If I check "NO", the interest rate charged on my loan will be the rate specified in Item 28 of this form. YES NO

WARNING: Whoever, in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies, conceals or covers up by any trick, scheme, or device a material fact, or makes any false, fictitious or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be fined under this title or imprisoned not more than five years, or both."

Date June 16, 20 06

David Lane

David Lane, Deputy Director (Signature of Applicant)

Date ~~20~~ 20

Vermont Agency of Agriculture Food & M^orkets

(Signature of Co-Applicant)

37. I HEREBY CERTIFY that all of the committee and administrative determinations and certifications required by regulations prerequisite to providing assistance of the type indicated above have been made and that evidence thereof is in the docket, and that all requirements of pertinent regulations have been complied with. I hereby approve the above-described assistance in the amount set forth above, and by this document, subject to the availability of funds, the Government agrees to advance such amount to the applicant for the purpose of and subject to the availability prescribed by regulations applicable to this type of assistance.

Rhonda L. Shippee

Rhonda L. Shippee (Signature of Approving Official)

Date Approved: 06-16-2006

Title: Business & Cooperative Programs Director

38. TO THE APPLICANT: As of this date 6-27-2006, this is notice that your application for financial assistance from the USDA has been approved, as indicated above, subject to the availability of funds and other conditions required by the USDA. If you have any questions contact the appropriate USDA Servicing Office.

Request For Obligation Of Funds

Borrower : State of Vermont VT Agency of Agr, Food & Markets

Comments And Requirements Of Certifying Official



State of Vermont, Agency of Agriculture, Food & Markets Rural Business Enterprise Grant FY 06 \$12,000

The Grantee understands the requirements for receipt of funds under the Rural Business Enterprise grant program. The grantee assures and certifies that it is in compliance with and will continue to comply with all applicable laws; regulations; Executive Orders; and other generally applicable requirements, including those contained in 7 CFR part 1942, subpart G, Attachment 1, "General Requirements for Administration of Rural Business Enterprise and Television Demonstration Grants," 7 CFR parts 3015, 3016, 3017, and 3019 and 3052, including revisions through June 16, 2006; approved Scope of Work/Work Plan, and the Letter of Conditions dated June 16, 2006.

COPY

Version 7/03

APPLICATION FOR FEDERAL ASSISTANCE

1. TYPE OF SUBMISSION: Application <input type="checkbox"/> Construction <input checked="" type="checkbox"/> Non-Construction		2. DATE SUBMITTED April 3, 2006	Applicant Identifier
		3. DATE RECEIVED BY STATE	State Application Identifier
<input type="checkbox"/> Pre-application <input checked="" type="checkbox"/> Construction <input type="checkbox"/> Non-Construction		4. DATE RECEIVED BY FEDERAL AGENCY April 3, 2006	Federal Identifier
5. APPLICANT INFORMATION			
Legal Name: State of Vermont, Agency of Agriculture, Food & Markets		Organizational Unit: Department: Agricultural Development Division	
Organizational DUNS: 809376718		Division:	
Address: Street: 116 State Street, Drawer 20		Name and telephone number of person to be contacted on matters involving this application (give area code) Prefix: First Name: Louise	
City: Montpelier		Middle Name	
County: Washington		Last Name Waterman	
State: Vermont	Zip Code 05602-2901	Suffix:	
Country: USA		Email: waterman@agr.state.vt.us	
6. EMPLOYER IDENTIFICATION NUMBER (EIN): 03-6000264		Phone Number (give area code) 802-828-6900	Fax Number (give area code) 805-828-3831
8. TYPE OF APPLICATION: <input type="checkbox"/> New <input checked="" type="checkbox"/> Continuation <input checked="" type="checkbox"/> Revision If Revision, enter appropriate letter(s) in box(es) (See back of form for description of letters.) Other (specify) <input type="checkbox"/> B <input type="checkbox"/>		7. TYPE OF APPLICANT: (See back of form for Application Types) A State Other (specify)	
10. CATALOG OF FEDERAL DOMESTIC ASSISTANCE NUMBER: TITLE (Name of Program): Rural Business Enterprise Grant Program 10-769		11. DESCRIPTIVE TITLE OF APPLICANT'S PROJECT: Vermont Dairy Producer Language and Cultural Training for a Hispanic Workforce aka Spanish as a Second Language (SSL)	
12. AREAS AFFECTED BY PROJECT (Cities, Counties, States, etc.): Addison County Vermont		9. NAME OF FEDERAL AGENCY: USDA Rural Development	
13. PROPOSED PROJECT Start Date: June 1, 2006 Ending Date: May 30, 2007		14. CONGRESSIONAL DISTRICTS OF: a. Applicant At Large b. Project At Large	
15. ESTIMATED FUNDING:		16. IS APPLICATION SUBJECT TO REVIEW BY STATE EXECUTIVE ORDER 12372 PROCESS?	
a. Federal	\$ 12,000 ⁰⁰	a. Yes. <input type="checkbox"/> THIS PREAPPLICATION/APPLICATION WAS MADE AVAILABLE TO THE STATE EXECUTIVE ORDER 12372 PROCESS FOR REVIEW ON DATE:	
b. Applicant	\$ 1,200 ⁰⁰	b. No. <input checked="" type="checkbox"/> PROGRAM IS NOT COVERED BY E. O. 12372	
c. State	\$ ⁰⁰	<input checked="" type="checkbox"/> OR PROGRAM HAS NOT BEEN SELECTED BY STATE FOR REVIEW	
d. Local	\$ ⁰⁰	17. IS THE APPLICANT DELINQUENT ON ANY FEDERAL DEBT?	
e. Other	\$ 1,000 ⁰⁰	<input type="checkbox"/> Yes If "Yes" attach an explanation. <input checked="" type="checkbox"/> No	
f. Program Income	\$ ⁰⁰	18. TO THE BEST OF MY KNOWLEDGE AND BELIEF, ALL DATA IN THIS APPLICATION/PREAPPLICATION ARE TRUE AND CORRECT. THE DOCUMENT HAS BEEN DULY AUTHORIZED BY THE GOVERNING BODY OF THE APPLICANT AND THE APPLICANT WILL COMPLY WITH THE ATTACHED ASSURANCES IF THE ASSISTANCE IS AWARDED.	
g. TOTAL	\$ 14,200 ⁰⁰	a. Authorized Representative	
Prefix First Name David		Middle Name	
Last Name Lane		Suffix	
b. Title Deputy Director		c. Telephone Number (give area code) 802-828-3830	
d. Signature of Authorized Representative		e. Date Signed April 3, 2006	

BUDGET INFORMATION - Non-Construction Programs

OMB Approval No. 0348-0044

SECTION A - BUDGET SUMMARY						
Grant Program Function or Activity (a)	Catalog of Federal Domestic Assistance Number (b)	Estimated Unobligated Funds		New or Revised Budget		
		Federal (c)	Non-Federal (d)	Federal (e)	Non-Federal (f)	Total (g)
1. RBEG	10.769	\$	\$	\$ 12,000.00	\$ 2,200.00	\$ 14,200.00
2.						0.00
3.						0.00
4.						0.00
5. Totals		\$ 0.00	\$ 0.00	\$ 12,000.00	\$ 2,200.00	\$ 14,200.00
SECTION B - BUDGET CATEGORIES						
6. Object Class Categories	GRANT PROGRAM, FUNCTION OR ACTIVITY					Total (5)
	(1) RBEG	(2) VAAFM	(3) Stkhldrs	(4) Stkhldrs		
a. Personnel	\$	\$ 1,200.00	\$	\$	\$ 1,200.00	
b. Fringe Benefits					0.00	
c. Travel					0.00	
d. Equipment					0.00	
e. Supplies	7,500.00				7,500.00	
f. Contractual					0.00	
g. Construction					0.00	
h. Other	4,500.00		1,000.00		5,500.00	
i. Total Direct Charges (sum of 6a-6h)	12,000.00	1,200.00	1,000.00	0.00	14,200.00	
j. Indirect Charges					0.00	
k. TOTALS (sum of 6i and 6j)	\$ 12,000.00	\$ 1,200.00	\$ 1,000.00	\$ 0.00	\$ 14,200.00	
7. Program Income	\$	\$	\$	\$	\$ 0.00	

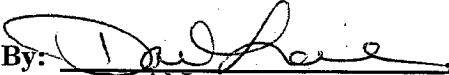
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Standard Form 424A (Rev. 7-97)
Prescribed by OMB Circular A-102

SECTION C - NON-FEDERAL RESOURCES					
(a) Grant Program	(b) Applicant	(c) State	(d) Other Sources	(e) TOTALS	
8. VAAFM	\$ 1,200.00	\$	\$	\$ 1,200.00	
9. Stakeholders			1,000.00	1,000.00	
10.				0.00	
11.				0.00	
12. TOTAL (sum of lines 8-11)	\$ 1,200.00	\$ 0.00	\$ 1,000.00	\$ 2,200.00	
SECTION D - FORECASTED CASH NEEDS					
	Total for 1st Year	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
13. Federal	\$ 12,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00
14. Non-Federal	2,200.00	550.00	550.00	550.00	550.00
15. TOTAL (sum of lines 13 and 14)	\$ 14,200.00	\$ 3,550.00	\$ 3,550.00	\$ 3,550.00	\$ 3,550.00
SECTION E - BUDGET ESTIMATES OF FEDERAL FUNDS NEEDED FOR BALANCE OF THE PROJECT					
(a) Grant Program	FUTURE FUNDING PERIODS (Years)				
	(b) First	(c) Second	(d) Third	(e) Fourth	
16.VAAFM	\$	\$	\$	\$	
17.Stakeholders					
18.					
19.					
20. TOTAL (sum of lines 16-19)	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	
SECTION F - OTHER BUDGET INFORMATION					
21. Direct Charges:		22. Indirect Charges:			
23. Remarks:					

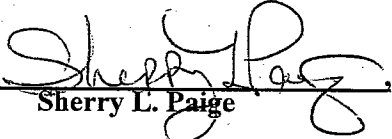
This Scope of Work is submitted by the grantee. Upon approval by the grantor, the grantee agrees that no changes will be made to the Scope of Work without prior written approval by the grantor.

State of Vermont, Agency of Agriculture, Food and Markets (GRANTEE)

By:  Deputy Secretary June 16, 2006
David Lane (Title) (Date)

This Scope of Work is hereby approved by USDA - Rural Development.

USDA - RURAL DEVELOPMENT

By:  Business Programs Specialist June 16, 2006
Sherry L. Paige (Title) (Date)

Scope of Work
Vermont Agency of Agriculture, Food and Markets
Vermont Dairy Producer Language Training for a Hispanic Workforce

Description of Service

The Vermont Agency of Agriculture will provide language training to Addison County Vermont dairy farmers for better communication with a Hispanic workforce.

There are approximately 1250 dairy producers in Vermont. The dairy industry in Vermont generates 80-85% of our agricultural revenue. Hispanic workers have become an essential part of Vermont's dairy industry and are important to the industry's future in Vermont. A recent survey of Vermont's dairy producers indicates that one-third of all full-time employees on these farms are Hispanic. This number continues to grow. It's not just large farms that have Hispanic workforces; many small farms are starting to utilize this workforce. Producers are utilizing this workforce resource in an attempt to alleviate the labor shortage crisis in the Vermont dairy industry.

As the number of Hispanic employees increase on farms throughout Vermont it is incumbent on the agricultural community to learn basic language skills that can help with day-to-day communication on the farm. Not only will communication help these employees feel more welcome but it will also increase their effectiveness as employees. Currently there is an estimated 1000+ Spanish speaking dairy farm laborers throughout the state. These workers are found on approximately 25% of the farms and of this number less than 5% of the dairy producers can communicate with basic conversation skills in Spanish. In addition, of the estimated 1000+ Spanish speaking dairy farm laborers less than 5% of this population can hold a conversation in English. Therefore the high percentage of farmers unable to communicate with their workforce makes it highly likely that dairy farmers will take advantage of Spanish classes. A pilot project completed by the Vermont Agency of Agriculture in 2005 was well attended. At the completion of the class, farmers asked for and said they would attend future classes.

The Vermont Agency of Agriculture proposes the following strategy to address the need for better communication with the Hispanic workforce on dairy farms:

- Three workshops will be offered in Addison County over the course of eight months. These workshops will be introductory and or intermediate level Spanish language classes for dairy farmers to help them with basic communication with their Hispanic workforce. These workshops will also include some cultural background to help farmers better understand the needs and values of their workers. These interactive workshops will be developed with the adult learner in mind and will provide opportunities for working on specific issues relevant to the participants in class.
- Spanish dairy language CD's will be bought and or produced for this project. Twenty-five producers will be participating in this project. Each participant will be given assignments between the workshops requiring them to use the language CDs.
- The CD's, in conjunction with the workshops, will offer the needed support to make learning a new language successful.

Area to be Served

Addison County - which corresponds to the location in Vermont with the highest number of farms hiring Hispanic labor.

Specific Businesses

Project participants will include dairy farmers in Addison County. The names of 25 specific farms to enroll in the workshops are not currently available.

We believe we will be successful in getting 25 farms to participate in the workshops because we have worked and will continue to work with many of these farmers on other projects such as a Spanish class for dairy producers' pilot project in Addison County and working with the Mexican Consulate to increase Mexican national's documentation. From these projects we have built business relationships and identified needs. These producers have indicated cross-cultural understanding and communication with non-English speaking employees as two challenges they face with this work force. Cultural and communication issues hamper safety and productivity - impacting farm profitability. By tailoring our approach around these producers we will have success in meeting the challenge of drawing in participants interested in working more effectively with a Hispanic workforce. The producers at these past events were the driving force behind developing this project proposal. They are asking for increased assistance in understanding the Hispanic culture and Spanish language classes to make human resource management easier.

A key to the success of this project is working with Vermont dairy producers who are committed to the success of their businesses. Project participants will be producers who are motivated to move forward with improving employee management practices and giving them specific guidance and follow-up to implement changed practice

The average farm enrolled will likely employ 5 FTE's. If one assumes each farm also supports 1.5 FTE in service support from a combination of feed and crop inputs, veterinary services, agricultural credit services and machinery services then the total number of jobs saved for each business assisted is 6.5 FTE's for a total of 162.5 FTE's.s.

Timetable- Based on grant approval by June 1st, 2006

- Sign up 25 producers to participate in this project by July 31st, 2006
- Buy and/or produce Spanish dairy language CD's by July 31st, 2006
- Three workshops will be held August, 2006 through March, 2007
- Follow-up and evaluation with participants will occur April-May of 2007

Evaluation

All participants will have the opportunity to evaluate the quality and usefulness of the CD's and the workshops. Farmers that complete the workshop will be asked to reflect on the impact that the experience will have on their business.

Final results

The end result of this project is participating producers will have a better understanding of the Spanish language. This grant will allow Vermont farms to be more sustainable in the future. Labor availability is consistently cited as a leading factor in management decisions related to size and profitability of farms (especially dairy). It is important to understand that a farm's profitability is highly dependent on good communication, training and consistency across work shifts and work assignments.

One of the existing opportunities in this scarce labor market is the available pool of farm labor from Mexico. While this is a workable solution in many respects it is not without problems. Most significant is that most farmers in Vermont do not speak Spanish and most incoming employees speak very limited English. These language barriers can result in unnecessary tension and frustration which at times leads to premature termination of the working relationship. In addition to language there are some cultural differences that, when they are not understood, can also lead to unnecessary misunderstandings in the working relationship.

As a result of this project, participants will increase their communication skills and Mexican cultural understanding with their Hispanic workforce. It is our hope that farmers who participated in our project will not only be a source of information for their own farms but also to their neighboring farms which may not have directly participated in the project. As the Hispanic labor force continues to grow throughout Vermont it is pertinent that a core group of farmers can be utilized as a resource for those that are just beginning to work with this population. This will assist the farming community in several ways, specifically by passing along useful information that they attained during class to their fellow farmers throughout the year. At the conclusion of this project we will have assisted in educating farmers to better understand and communicate with their Hispanic labor force.

Key Personnel

Louise Waterman, Risk Management Education Coordinator for the Vermont Agency of Agriculture, will be the project coordinator. Responsibilities will include: project design, implementation, direction, farm visits, and coordination of the instructor, follow-up and reporting. Louise has been working with farmers for a number of years. She is the project coordinator for an on going farm transfer planning project, a Vermont dairy benchmarking project, a farm safety project as well as supporting the coordination of the Dairy Profitability Enhancement Program (DPEP) and the Farm Viability Enhancement Program. As such, she is experienced in building business relationships with farmers and other agricultural professionals, coordinating with other service providers, assigning tasks, delegating and follow-through.

Vermont Dairy Producer Language Training for a Hispanic Workforce

Budget Narrative

- A. Salaries and Wages – Vermont Agency of Agriculture will supply \$1,200 of in-kind labor for the project leader
- B. None Requested
- C. Nonexpendable Equipment – None Requested
- D. Materials and Supplies – CD's and books for 25 students @ \$300/student
Total request = \$7,500.00
- E. All Other Direct Costs – Room and Meal Costs for 3 workshops = \$1500.
Instructor/Teacher Fees for three workshops + workshop preparation = \$4,000
- F. Total Other Costs = \$5,500
- G. Total Direct Costs - \$8,700 + \$5,500 = \$14,200
- H. *Participating Producers will contribute \$1,000 towards the Instructor/Trainer Fees.
*Vermont Agency of Agriculture will supply \$1,200.00 of in-kind labor for the project leader.
- I. Total Amount Requested = \$12,000.00