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FY 2025 Local Tots Cost-Share Summary

To participate in this cost-share program, interested providers must submit a Letter of Intent by October 24, 2024.

Overview

The Fiscal Year (FY) 2025 Agricultural Growth, Research, and Innovation (AGRI) Farm to School and Early Care Program is offering the Local Tots Cost-Share program to support family day care homes (family child care providers) that want to buy and serve Minnesota-grown or -raised foods. This cost-share will reimburse providers for their purchases of Minnesota-grown and -raised foods as a part of Child and Adult Care Food Program (CACFP) meals and snacks.

Early childhood education (ECE) centers are not eligible for this cost-share program; they should consider applying for the AGRI First Bite or Full Tray Farm to School and Early Care grant programs.

Funding availability

We expect to award approximately \$100,000 to the Local Tots Cost-Share program. We anticipate that Local Tots Cost-Share awards will be approximately \$1,000 per provider, but the final amount depends on the total number of family child care providers that respond to this Letter of Intent.

Participants may incur eligible food expenses from January 1, 2025, through December 31, 2025.

How to submit your Letter of Intent

Family child care providers must submit a Letter of Intent by **4 p.m. Central Time (CT) on Thursday, October 24, 2024**, to be considered for funding.

- Apply for the Local Tots Cost-Share program using our [online application system](#).
 - If you're a new user, you need to create an account first.
- Once you're logged in, select Local Tots Cost-Share.
 - Complete the online Letter of Intent.
 - Complete the [online W-9 PowerForm](#) hosted by DocuSign, our secure signing system.
- We will not accept late applications.
 - Submit early so that there is enough time to get help with the online application system. It's best practice to submit your Letter of Intent at least 24 hours in advance.
 - We are not responsible for any technical or logistical problems that result in a late submission. It's your responsibility to ensure we receive your Letter of Intent before the deadline.

Timeline and deadlines

October 24, 2024, 4 p.m. CT Letters of intent due.

Week of December 15, 2024 Providers notified of eligibility and award amounts.

January 1 to December 31, 2025 Period when participants can buy eligible food purchases.

Questions

For questions on the Local Tots Cost-Share program or Letter of Intent process:

- Email MDA.AGRIGrants@state.mn.us with "Local Tots Cost-Share" in the subject line.
- Call us at 651-201-6500.

We will post answers to frequently asked questions on the Questions and Answers section of the [Local Tots Cost-Share website](#).

Eligible applicants

Family child care providers in Minnesota that participate in CACFP are eligible to submit a Letter of Intent for the Local Tots Cost-Share.

- For purposes of this cost-share, a family child care provider (family day care home) is defined as an organized child care program for children, generally 12 years of age or younger, operated in a private residential home, and licensed to provide care in Minnesota.

Family child care providers must be an active CACFP operator at the time of submitting the Letter of Intent and must remain active throughout the cost-share period.

Eligible expenses

This cost-share program reimburses participants for purchases of Minnesota-grown and -raised food that is used for CACFP meals or snacks. Eligible food items can be purchased from various venues, including:

- Direct from a Minnesota farm or farmer, including a Community Support Agriculture (CSA) share.
- A Minnesota farmers' market.
 - Note: Some farmers at Minnesota farmers' markets may be from bordering states; foods grown or raised in another state are not eligible.
- A retail setting.
 - Note: If purchasing eligible items from a retail setting, documentation from the store that identifies the farm(s) and location(s) of the farm is required.

Applicants are encouraged to buy a wide range of Minnesota agricultural products and foods for this program, including culturally relevant foods and specialty crops.

- All foods must maintain source preservation so the origin of the Minnesota ingredient(s) is identifiable.
- Eligible food items include Minnesota-grown and -raised foods, including whole (unprocessed) foods, minimally processed foods, and processed foods.
 - See the [Additional Resources](#) section for definitions and more information.

Ineligible expenses

The following items are examples of expenses that are not eligible for reimbursement:

- Fluid milk
- Produce grown in home, school, or college/university gardens or farms
- Items grown or produced in a state other than Minnesota, including foods grown in a bordering state and sourced through a Minnesota farmers' market, food hub, or distributor
- Items bought for any meal or snack program outside of CACFP
- Processed food products that do not contain a primary ingredient grown or raised in Minnesota and whose production technique is outside the scope of the required source preservation
- Seeds, starter plants, and other garden equipment
- Food preparation equipment or supplies
- Staff time for procurement, other food preparation, and related Farm to School and Early Care planning

Matching funds

The FY 2025 Local Tots Cost-Share program does not require a cash match.

Review process

MDA staff and leadership will review all Letters of Intent for eligibility and appropriateness and may consider other factors, including the participant's compliance with state rules and regulations. The commissioner of agriculture is responsible for award decisions. Respondents will be notified in writing if they are selected to participate in the program.

Privacy notice and data classification

The information provided as part of the Local Tots Cost-Share program application will be used to assess the applicant's eligibility to receive payment under this program, and to fulfill applicable financial reporting requirements. Completing this application is voluntary; applicants are not legally required to provide the MDA with the information requested, but only completed applications will be considered. While much of the information applicants provide is classified by Minnesota law as public, some of the information may be classified by law as private or nonpublic at the MDA. Data classified as private or nonpublic will be accessible only to MDA employees and contractors that have a work assignment that requires access to the data, and to other entities authorized by law to receive the data. The MDA may be obligated to provide the data to law enforcement, the Minnesota Department of Administration, Minnesota Management and Budget, the Office of the State Auditor, or the Office of the Legislative Auditor. Finally, private data about the applicant may be released to third parties through their informed consent, or pursuant to a valid court order.

Internal Revenue Service code Section 6109 requires applicants to provide their correct taxpayer identification number to payers who must file information returns with the IRS. The MDA will use the information provided on the applicant's W-9 form in order to report payments received as part of these programs to the IRS. The IRS uses the numbers for identification purposes and to help verify the accuracy of the applicant's tax return. For more information on how the information provided on a W-9 may be used, refer to the Privacy Act Notice on page 6 of the W-9 form.

Payments

Eligible expenses may only be incurred between January 1, 2025, and December 31, 2025.

Cost-share funds are dispersed on a reimbursement basis. To receive reimbursement for Minnesota food purchases, you must submit the following documents:

- Reimbursement worksheet provided by the MDA
- Receipts/invoices for each eligible item
- Proof of payment (canceled check, credit card statement) for each eligible item

To receive reimbursement when buying from a farmers' market or retail store, identification of origin farm (farm name, product, city) must be included on submitted invoices. For processed products, recipients may also need to submit an attestation that they meet the 80% Minnesota-grown requirement.

We encourage providers to submit reimbursement requests quarterly but will work with them to meet their needs. The total amount of reimbursements will not exceed the amount listed in your award letter.

AGRI background and program goals

The Agricultural Growth, Research, and Innovation Program (AGRI) was established to advance Minnesota's agricultural and renewable energy industries ([MINN. STAT. 41A.12](#)). AGRI has made significant economic impacts by increasing productivity, improving efficiency, and assisting the development of agricultural products. The AGRI Local Tots Cost-Share supports licensed family child care providers that want to purchase and serve Minnesota-grown or -raised foods as a part of a federally funded meal or snack through CACFP.

Letter of Intent Questions

Before you submit your Letter of Intent, make sure you understand all the program rules. Contact us if you have questions or review pages 2-3 of this document.

Provider information

- Name
- Business name
- Address
- Phone
- Email
- CACFP sponsor
- Department of Human Services (DHS) license number
- Number of children in your care

Additional information

- Cost-share funds requested (maximum \$1,000)
- How did you hear about the Local Tots Cost-Share? Check all that apply:
 - CACFP sponsor
 - MDA website
 - Notification from another organization (please list)
 - Word of mouth
 - Other
- Where do you plan to purchase eligible food items from? Check all that apply.
 - Community Supported Agriculture (CSA) share
 - Direct from farm
 - Farmers' market
 - Retail
 - Other

Acknowledgements

Identification

⇒ Under the law titled Right of Setoff ([MINN STAT 270C.65, subd. 3](#)), and other applicable law, I understand that my social security number, federal employer tax identification number, and/or Minnesota tax identification number, already provided to the State, may be used by federal and state tax agencies and state personnel involved in the payment of state obligations. These identification numbers may be used in the enforcement of federal and state tax laws which could result in action that requires filing of state tax returns and paying delinquent state tax liabilities, if any.

Record retention

⇒ As required by the law on grants management ([Minn. Stat. 16B.98, Subd.8](#)), I agree to keep all related records and receipts and make them available to the MDA, State Auditor, or Legislative Auditor for a minimum of six years.

Privacy notice

⇒ I have read and agree to the Privacy Notice.

True, complete, and accurate

⇒ I affirm that the information I am submitting is true, complete, and accurate.

Additional Resources

Not sure where to start? The [Minnesota Grown Directory](#) is a great tool to help you find local farms, farmers' markets, or CSAs near you.

Eligible food items

Whole (unprocessed), minimally processed, and processed foods are at least 80% grown or raised in Minnesota and retain their inherent character are eligible for the Local Tots Cost-Share.

Whole or minimally processed foods

Whole (unprocessed) or minimally processed items must be grown or raised in Minnesota. Examples include but are not limited to:

- Fruits
- Vegetables
- Herbs
- Meat, fish, and poultry
- Dairy (excluding fluid milk)
- Eggs
- Legumes
- Grains
- Maple syrup and honey

See the definition of [unprocessed or minimally processed](#) for more details.

Processed foods

Processed foods must have at least one primary ingredient (excluding water) that is 80% grown or raised in Minnesota. Examples of processed food items include:

- Hot dogs
- Tofu
- Bread
- Tortillas
- Pre-made smoothies
- Granola

Processed food items will need to be approved by MDA staff as Minnesota-eligible food purchases.

Definitions

Local

For this cost-share, local means grown or raised in the state of Minnesota.

Minnesota grown or raised

Food is defined as Minnesota grown or raised if at least 80% of the product was produced and processed in Minnesota.

Specialty crops

The MDA uses the [USDA definition of specialty crops](#), which include fruits, vegetables, tree nuts, dried fruits, culinary herbs and spices, and horticulture (such as maple syrup and honey).

Unprocessed or minimally processed

The following processing methods are allowable and considered unprocessed or minimally processed: cooling; refrigerating; freezing; size adjustment made by peeling, slicing, dicing, cutting, chopping, shucking, and grinding; forming ground products into patties without any additives or fillers; drying or dehydration; washing; packaging (such as placing eggs in cartons), vacuum packing, and bagging (such as placing vegetables in bags or combining two or more types of vegetables or fruits in a single package); the addition of ascorbic acid or other preservatives to prevent oxidation of produce; butchering livestock and poultry; and cleaning fish.

Processed

Foods that are made in Minnesota with at least one primary ingredient (excluding water) that is 80% grown or raised in Minnesota. To receive reimbursement for processed food items, the organization may need to submit a written attestation from the food business that certifies that their product meets this definition.

Source preservation (transparency)

Source preservation means that the origin of the food item is identifiable through delivery. To receive reimbursement when purchasing through an intermediary vendor like a distributor, food hub, or farmers' market, identification of origin farm (farm name, principal operator, product, county) must be included on submitted invoices.