

## North Carolina Cooperative Extension WNC AgOptions

# 2009 Grant Application



### Instructions for Applying

Thank you for your interest in the WNC Agricultural Options Program. *WNC AgOptions builds sustainable farming communities in our mountain region by providing resources directly to farmers who are diversifying or expanding their operations.*

WNC AgOptions works in partnership with RAFI-USA's Tobacco Communities Reinvestment Fund. Support is provided by the North Carolina Tobacco Trust Fund Commission.

Members of the WNC AgOptions steering committee include: representatives from the N.C. Cooperative Extension, HandMade in America, N.C. Department of Agriculture & Consumer Services, agribusiness leaders and former AgOptions recipients.

**Who should apply?** Applicants are farmers who demonstrate the economic viability of farms in Western North Carolina. Support is provided to farmers who are diversifying or expanding their operations to increase farm income and ensure the sustainability of the farm business. WNC AgOptions gives awards to a variety of farm operations, including: fruits & vegetables, livestock, nurseries, agri-tourism, beekeeping and value-added processing. Priority will be given to applicants who:

- Formerly or previously grew tobacco;
- Are diversifying or expanding their operations so that they remain sustainable for this and future generations;
- Have sufficient experience & expertise to accomplish the projects and/or have identified the proper cooperators to supplement gaps in their skills and abilities;
- Have sufficiently researched the markets, expenses and timeline for their projects;
- Are proposing projects that demonstrate successful farming practices, methods, and/or markets to the agricultural community;
- Are proposing projects that are innovative or exemplary to the applicants' counties;
- Exhibit working relationships with their local Cooperative Extension Agents;
- Have included *up to* two quality recommendation letters from additional cooperators;
- Have NOT received funding from WNC AgOptions from 2004 – 2008.

Farmers who do not meet all of these criteria are still encouraged to apply. Those who arrange an appointment with an N.C. Cooperative Extension Agent by Dec. 1, 2008 can receive assistance on developing their project proposal. Those applicants who do not meet the Dec.1 "Intent to

Apply” deadline will not receive all the points possible from the WNC AgOptions Review Board.

*Individuals representing a farmer co-op or association, preferably a formally established organization, are eligible for an award.*

**How can the award be spent?** Suitable expenses are those associated with the production and marketing of diversified farm enterprises and agri-tourism endeavors. Examples include, but are not limited to: seeds, fertilizer, plants, amendments, livestock, trainings, advertisements, packaging, fences, signage, facilities, supplies, tools, and specialized equipment. Items that cannot be funded by the award include: farmer labor, farm debt and expenses that are dated outside of the grant period.

**How much is awarded?** Amount of award can be: \$3,000, \$6,000 and \$9,000.

Project budgets for \$9,000 proposals must be *at least* \$45,000, not including farmer labor. Applicants who apply for \$9,000 who are not awarded will be eligible for a \$6,000 award. A WNC AgOptions representative will visit the farms of the finalists for the \$9,000 award before it is granted.

The \$6,000 and \$9,000 awards are available for farmers who commit to writing a business plan for their project. Plans are due August 1, 2009.

All grant recipients will be required to attend at least one day of training on local agricultural updates, business planning education, new marketing opportunity information and/ or estate planning. *Upon acceptance of the award, WNC AgOptions may include the recipient’s project in public relations, outreach, demonstration and education in 2009 or future years.*

Awards will be granted throughout an 18-county/ unit area, including the following: Avery, Buncombe, Clay, Cherokee, Cherokee Indian Reservation of WNC, Graham, Haywood, Henderson, Jackson, Macon, Madison, McDowell, Mitchell, Polk, Swain, Transylvania, Watauga and Yancey. Each county/ unit will host at least one recipient in 2009 if one or more **quality** applications are submitted from each county/ unit. Funds must be used as stated in the applicant’s proposal. Use of funds inconsistent with the proposal will result in forfeiture of award and repayment of funds.

**When are applications due?** Proposals must be postmarked by January 23, 2009. Only one application per farm, please.

Completed applications should be mailed to:  
WNC AgOptions Project Manager  
Madison County Center  
NC Cooperative Extension  
258 Carolina Lane  
Marshall, NC 28753

### **Tips for writing a successful proposal:**

1. Plan and research your topic and market for several weeks.
2. Meet with your local Agricultural Agent with the N.C. Cooperative Extension. He/ she is available to help you develop your proposal and will evaluate your project. This initial evaluation will be sent directly to the WNC AgOptions Project Manager, and earn points for your application.
3. Include *up to* two quality recommendation letters from partners or cooperators who will help you complete your goals.
4. Review the WNC AgOptions website at [www.wncagoptions.com](http://www.wncagoptions.com) to gather ideas.
5. If you plan to apply for \$6,000 or \$9,000, visit the Whole Farm Planning & Management webpage <http://transylvania.ces.ncsu.edu/content/wholefarmplan&source=transylvania> for resources and information on business planning.

### **Procedures and Timeline for WNC AgOptions Proposals**

- December 1, 2008. Intent to Apply Deadline. All applicants should contact their county Cooperative Extension agents to set up an appointment to discuss their projects. If the deadline is not met, the applicants will miss the opportunity of scoring additional points from the WNC AgOptions Review Board.
- January 23, 2009. Postmark deadline for applications. Mail to WNC AgOptions Project Manager at the Madison County Center. If the application is not complete, the Review Board will not consider the proposal.
- February 6, 2009. Finalists for the \$9,000 award will be visited by a WNC AgOptions representative.
- February 11, 2009. Letters of acceptance or rejection will be mailed to all applicants. All proposals will be scored by a Review Board, composed of agricultural and economic development leadership. A numeric scoring system will be used to rank applicants.
- February 27, 2009 at Mayland Community College, Spruce Pine; March 2, 2009 at Mills River Mountain Horticultural Crops Research and Extension Center; or March 4, 2009 at Jackson County Community Service Building. Recipients will attend program orientations/ educational workshops on one of these dates. Details will be mailed. Award certificates will be presented.
- March 13, 2009 at Mayland Community College, Spruce Pine; March 16, 2009 at Mills River Mountain Horticultural Crops Research and Extension Center, or March 18, 2009 at Jackson County Community Service Building. Recipients of the \$6,000 and \$9,000 awards will also be required to attend Business Plan Writing workshops on one of these dates.

### **Requirements of 2009 WNC AgOptions award recipients:**

1. Recipients must keep accurate production and financial records on the project and supply a copy of those records at the completion of the project. Copies of receipts for project expenditures will be required.
2. Recipients must be available through mail and/ or phone calls throughout the year. E-mail access is helpful.
3. Recipients must attend one of three area orientation workshops, and will receive their first allotment of award there.

4. \$6,000 & \$9,000 recipients are required to attend one of three business plan-writing workshops.
4. A WNC AgOptions representative will visit each of the recipients' farms in the spring and fall of 2009 to discuss progress on the projects.
5. \$6,000 and \$9,000 recipients must submit business plans for their project to the WNC AgOptions Project Manager by August 1, 2009 to receive their next \$2,000 allotment. Please see the last page of the application form for an outline of business plan components.
6. Recipients must complete final income & expense reports of project results, plus a survey that provides feedback about the program and results of their project, by November 10, 2009 to receive the final \$500 allotment.

Still have questions? Contact the WNC AgOptions Project Manager at (828) 649-2411 x305.



Briefly describe yourself, your profession, work experience and farming experience. If relevant, explain your history with growing tobacco, including your family's history. (Attach additional page if necessary):

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If you are applying on behalf of a farmer co-op or association, please tell us about your group. Who are the group members? What skills do your group members have that will be useful to the successful completion of the project? Who will be responsible for managing/ carrying out project activities?

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**Section II. COOPERATORS**

Who is your local Cooperative Extension Agent who will be working with you on this project?

Name: \_\_\_\_\_ Phone: \_\_\_\_\_

Fax: \_\_\_\_\_ Email: \_\_\_\_\_

Other Cooperators: Please list any other cooperators who have agreed to help you with your project. (You may list additional cooperators on the back of this sheet.)

Cooperator's Name	Farm, Organization, or Agency	Phone/E-Mail
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Additional cooperators are not required but will increase the likelihood of success of your project. Cooperators may include other farmers, marketing and production specialists, other Extension Agents, crop consultants, non-profit organizations, business and other agricultural advisors. We recommend that you **submit a letter of commitment from each cooperator clearly stating what their participation in the project will be, i.e., production assistance, marketing assistance, etc.**

**Section III. THE PROJECT AND PROPOSAL** (Use an additional page if necessary.)

1. Please provide a description of your proposed farm project. How will the project fit into your existing farming operation? How will you handle the additional workload?

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2. What are the anticipated outcomes of your project?

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3. How will this project enhance or increase your capability to continue farming, increase farm income and increase sustainability of your farming operation?

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4. How do you plan to market or sell your farm business, product and /or experience?

5. Please provide a timeline for your project. Indicate which project activities you will accomplish and a description of purchases/expenditures you expect to incur each month.

<i>Month</i>	<i>2009 Project Activities</i>	<i>Purchases/Expenditures</i>
<b>February</b>		
<b>March</b>		
<b>April</b>		
<b>May</b>		
<b>June</b>		
<b>July</b>		
<b>August</b>		
<b>September</b>		
<b>October</b>		
<b>November</b>		
<b>December</b>		

6. Proposed Budget (*list proposed expenses and income for this project only*)

**Estimated Expenses for 2009** (Use an additional page if necessary.)

<u>Line Item:</u>	<u>Estimated Expenses:</u>
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
	TOTAL:_____

**Expected Income for Year One (2009)**

<u>Line Item:</u>	<u>Expected Income:</u>
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
	TOTAL:_____

**Expected Income for Year Two (2010)**

<u>Line Item:</u>	<u>Expected Income:</u>
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
	TOTAL:_____

**Section IV. CERTIFICATION**

The applicant **MUST** sign the following statements.

**AGREEMENT:** The funds granted will be used exclusively for the project as described in this request. The Guidelines for Submission have been read and agreed to.

**CERTIFICATION:** The information provided in this application is correct and complete to the best of my ability.

Applicant's Signature: \_\_\_\_\_

Signed by (Please Print): \_\_\_\_\_ Date: \_\_\_\_\_

Note: Applicants being considered for funding may be contacted for more information about their projects. Site visits and/or telephone interviews may be requested. **Social Security number or Federal Tax ID is a necessary number for accounting purposes only. Your privacy is of the utmost importance.**

## **Components of an Agricultural Business Plan**

**Note: The following format will be used by recipients of \$6,000 & \$9,000 awards to create their business plans, due August 1, 2009.**

Business plans are usually written for one of two reasons: 1) To firmly set our in-home plans for the future of our business, or 2) To help a potential loan officer or financier understand our farming plans. For the WNC AgOptions program, we will be solidifying our plans for the future of our businesses or ventures, but will be using the structure that loan reviewers prefer to use. The business plan you will complete will be practical for your own family planning and will be the start of a business plan suitable to present to a lender.

### **Executive Summary**

The summary is an overview of yourself, your business, your farm and your idea for a new venture. Include everything you would cover in a three-minute interview. If applying for a loan, state clearly the amount of funds you need, precisely how you will use the funds, and how the loan will make your business more profitable, thereby ensuring repayment.

### **General Company Description**

Explain what business you will undertake and your plans. Include a brief description about yourself, your family and your short and long-term goals. Other important information: ideals that are important to you in business and the legal structure of your business (sole proprietor, partnership, LLC, etc.)

### **Products and Services**

Describe in depth your products and/or services. What factors will give you competitive advantages or disadvantages? Also discuss the pricing structure of your products and services.

### **Marketing Plan**

This portion is the most in-depth part of your plan. No matter how good your products and/or your services are, the venture cannot succeed without good marketing. You will explain your customer base and how to capture the attention of those individuals. N.C. Cooperative Extension staff and other resource teachers can assist you in developing this section.

### **Management Plan**

The management plan is an explanation of the daily operations of your farm and the division of labor to ensure that your business is a success. Also include legal considerations, labor needs, location, customer service and financial management.

### **Financial Plan**

Project the income and expenses for your project (or perhaps your entire farming operation) for the first year and subsequent three years. This information is very important to make sure you are able to continue farming in the future.

For assistance on the process of completing a business plan, please contact your local N.C. Cooperative Extension Agent or visit <http://transylvania.ces.ncsu.edu/content/wholefarmplan&source=transylvania> for additional resources.