



**Texas Department of Agriculture
Texas Agricultural Finance Authority
Young Farmer Grant (YFG) Program
Frequently Asked Questions**

COMMISSIONER SID MILLER

Q. What's the YFG program?

A. It is a program that provides grants to eligible young farmers to create or enhance agricultural enterprises in Texas.

Q. How do I apply?

A. Applications are available twice a year. Fill out the application available online at the Texas Department of Agriculture's website www.TexasAgriculture.gov and submit it by posted deadlines for consideration.

Q. Is it for me?

A. Grant applications will be accepted from any person who is at least 18 years of age but younger than 46 years of age and engaged in creating or expanding agriculture in Texas. The applicant must be able to make dollar-for-dollar matching expenditures to sustain, create or expand the project.

Q. Are there grant limits?

A. The TAFE Board can make awards ranging from \$5,000 not to exceed \$20,000.

Q. Will everyone get a grant?

A. There are no guarantees and historically this has been a very competitive program with significantly more applications received than funds available. Grants are based on available funds, the proposed use of grant funds and other application material.

The board may consider other factors, including:

- the quality of the application;
- applicant's need for financial assistance;
- the project's ability to
 - create, enhance or sustain the applicant's agricultural operation;
 - improve overall agricultural productivity in Texas; and
 - increase the number of agricultural enterprises in Texas that are owned and operated by young farmers.

Q. What happens after I apply?

A. TDA will review the application to determine whether the applicant was responsive to the requirements. The TAFE Board will then individually review and evaluate all eligible applications. After individual evaluations are complete the TAFE Board will meet to discuss application for final funding decisions.

Q. How long does the review process take?

A. Since there are multiple step invoiced in the review process, the average time takes between 8-10 weeks. Delays may occur due to an exceptionally large number of application received.

Q. How often are grants awarded?

A. The TAFE board will set two periods in each fiscal year (fall/winter and spring/summer) in which the authority will receive and approve grant applications. You may also email grants@TexasAgriculture.gov to be added to an email notification list.

Application deadlines will be posted at www.TexasAgriculture.gov.

Q. Any restrictions on grant money?

A. Operating expenses for contract labor, seed, fertilizer, livestock, feed and fuel are all eligible expenses. Grants may not be used for capital expenditures with a useful life of more than one year unit cost of more than \$5,000.

Q. May I use a grant to reimburse for my own labor?

A. Grant funds may not be used to reimburse the value of your personal labor or services, spouse and immediate family members are also excluded. The costs of hired labor specific to your project may qualify for grant funding.

Q. How will I be notified of my grant award?

A. All applicants will receive notification of approval or denial. TDA will provide a Notification of Award via phone call, email or letter.

Q. What happens if I am awarded a grant?

A. Upon the official Notice of Award, TDA will send an official grant agreement (contract) confirming your grant award and matching requirement. The grant agreement will also provide you with a start and end date of your project. These dates are important because you will only be reimbursed for eligible expenses that fall within that timeframe. Your grant agreement is not final until it has been sign by you and TDA.

Q. What are the matching requirements?

A. This Grant requires the recipient to expend matching funds equal to or greater than the total grant award. For examples, if you are awarded a grant for \$20,000 you will be expected to document a match of at least \$20,000. In other words, for every \$2 you spend you will be reimbursed \$1.

If the application indicated you would match a higher dollar amount you will be expected to match that amount. For example, if you are awarded a grant for \$10,000 and said you would match \$40,000 it would be the same as saying for every \$5 you spend you will be reimbursed \$1.

Q. How do I document my matching expenses?

A. Matching expense are documented on the payment request form. On the itemized list, you will provide the total invoice amount and then divide by your percentage of matching requirement to determine the Matching and Requested Amount column.

a. For example on the \$10,000 award with \$40,000 match:

i. Total Grant Award	\$10,000	20% (\$10,000/\$50,000)
ii. <u>Total Matching</u>	<u>\$40,000</u>	<u>80% (\$40,000/\$50,000)</u>
iii. Total Grant Project	\$50,000	100%

b. How to calculate the correct amount for payment request:

i. Payment invoice total	\$2,534.00
ii. Total Amount requested	\$ 506.80 (\$2,534 x 20%)
iii. Total Matching Amount	\$2,027.20 (\$2,534 x 80%)

Q. If I'm selected to receive a grant, may I apply again?

A. Yes! There is no limit, but the Board has determined a recipients can only reapply once their current project is closed.

For more information, contact:

Grants Office

(512) 463-2537

Grants@TexasAgriculture.gov

www.TexasAgriculture.gov