

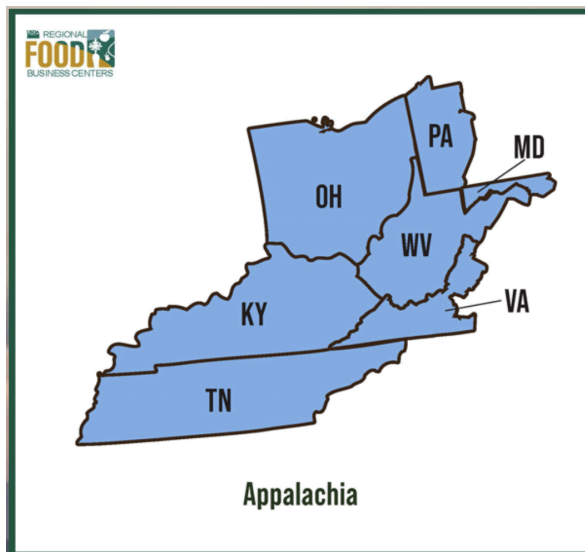
Appalachia Regional Food Business Center Glossary

Our Region

The Appalachia Regional Food Business Center serves the following states and counties.

Full States: Ohio, West Virginia, Kentucky, Tennessee

Partial States: Pennsylvania, (*Allegheny, Armstrong, Beaver, Bedford, Butler, Cambria, Clarion, Crawford, Erie, Fayette, Franklin, Fulton, Greene, Indiana, Jefferson, Lawrence, Mercer, Somerset, Venango, Washington, & Westmoreland Counties*) Virginia (*Alleghany, Bath, Bland, Botetourt, Buchanan, Carroll, Craig, Dickenson, Floyd, Giles, Grayson, Henry, Highland, Lee, Montgomery, Patrick, Pulaski, Rockbridge, Russell, Scott, Smyth, Tazewell, Washington, Wise & Wythe Counties*), Maryland (*Allegany, Garrett & Washington Counties*)



Center Overview Definitions

The USDA Regional Food Business Centers have three main responsibilities:

- **Coordination** - The Regional Food Centers act as regional hubs coordinating across geographic areas, with USDA, other federal, state, and tribal agencies with relevant resources, regional commissions, and the other Regional Food Centers. They also conduct outreach to underinvested communities and businesses.
- **Technical Assistance** - The Regional Food Centers provide direct business technical

assistance to small- and mid-sized food and farm businesses (producers, processors, distributors, and other businesses within the food supply chain) and food value and supply chain coordination.

- **Capacity Building** - The Regional Food Centers provide financial assistance through business builder sub awards up to \$100,000 to support projects focused on emerging regional needs and businesses that are working towards expansion and other investment.

Mid-tier Value Chain (MTVC) - A supply network in which agricultural products move from production through consumption in a local or regional market due to the cooperation and aggregation of small or mid-scale producer inputs; strategic business relationships that emphasize organizational interdependence (different competencies), trust, and transparency; and equitable distribution of responsibilities and rewards across the chain.

The supply network must link Independent Producers with businesses and cooperatives that market value-added agricultural products in a local or regional geographic area in a manner that: a) Targets and strengthens the profitability and competitiveness of small- and medium-sized farms and ranches that are structured as a Family Farm; and b) Demonstrates agreement with an eligible Agricultural Producer Group, Farmer or Rancher Cooperative, or Majority-Controlled Producer-based Business engaged in the value-chain on a marketing strategy.

Typical links in the chain: Producer Inputs → Aggregated Inputs →TA Provider/Marketer →Processor →Distributor →Consumer

- A "small to mid-sized value chain business" is defined as Small (<\$350,000 gross sales) and Midsize (>\$350,000 but less than \$1 million gross sales).

Value chain - A food value chain is a business model in which producers and buyers of agricultural products form strategic alliances with other supply chain actors, such as aggregators, processors, distributors, retailers, and consumers, to enhance financial returns through product differentiation that advances social or environmental values. Value chains are formed intentionally on the central principle that transparent and trusting relationships between supply chain partners can produce positive, win-win outcomes for all parties involved. Partners in these business alliances recognize that creating maximum value for their products depends on interdependence, collaboration, and mutual support. The financial rewards accrued through these value chain alliances are shared equitably among partners. In producing value for participants and society at large, food value chains exemplify what Harvard Business School Professor Michael Porter and consultant Mark Kramer refer to as "creating shared value." Rather than businesses seeing "social responsibility" as something they do for public relations purposes, they orient their core operations to simultaneously achieve business success and social benefit. The shared-value concept that is embedded in food value chain businesses recognizes that markets have the potential to generate positive externalities in addition to private benefits.

Minor Business Development Activities (TA Topic) - Includes planning, financial literacy, legal and regulatory awareness, succession planning, and record keeping. **Does not include "business plan development"** which is a separate item that refers to work towards

a full formal business plan such as that needed for applying for loans, but would include helping develop other sorts of plans, including long-range goal setting, etc.

Underinvested communities - are defined as populations sharing a particular characteristic, as well as geographic communities, that have been systematically denied a full opportunity to participate in aspects of economic, social, and civic life, such as Black, Latino, and Indigenous and Native American persons, Asian Americans and Pacific Islanders and other persons of color; members of religious minorities; lesbian, gay, bisexual, transgender, and queer (LGBTQ+) persons; persons with disabilities; persons who live in rural areas; and persons otherwise adversely affected by persistent poverty or inequality.

Market development refers to businesses identifying, pursuing, and cultivating new market opportunities for their existing products. Technical assistance may be provided to food and farm businesses to assist them in this process of identifying and accessing new market opportunities and helping them market and differentiate their product to support success in a newly developed market.

Technical assistance - Guidance, support, advice, assessment, and/or customized training provided to a beneficiary on behalf of the Center aimed at building capacity for that beneficiary to access new markets, increase viability, or increase business acumen.

“Technical assistance” is defined by the USDA in the Semiannual Report Guidance Document as:

Guidance, support, advice, assessment, and/or customized training provided to a beneficiary on behalf of the Center aimed at building capacity for that beneficiary to access new markets, increase viability, or increase business acumen.

TA covers a wide range of services. The ARFBC has developed two sets of TA categories:

- Categories taken from the required Semiannual Performance Progress Report (PPR), for ease of reporting. Activities covered by the PPR include any activities primarily funded by the center and completed by the lead applicant and all key partners and collaborators.
- Internal categorization for assisting the Center in visualizing our TA assets and in routing clients to appropriate partners for TA provision.

Pathways - refers to Center focus work that represent three priority issues within the region which are the following: Food and Farm Business Development (Partner with food businesses as core economic development actors to foster local ownership and control and to build community health and wealth), Market Access (Leverage existing and emerging markets to negotiate for the collective good.), Processing, Aggregation, and Distribution (PAD) (Build and strengthen infrastructure that supports a viable food system today and will adapt to the food system of tomorrow. And leverage infrastructure to foster well-connected, scalable value chains.)

Affiliation/interest groups - organized groups for those in related fields (e.g. millers or livestock farmers) to promote peer-to-peer sharing, work towards policy goals, or similar.

Aggregation - a service that takes farm products from different producers and aggregates them. Access to aggregation can allow small farmers to sell to markets they could not otherwise.

Agriculture cooperative development training and support - agriculture cooperatives provide infrastructure to a group of producers who jointly own the infrastructure. Cooperatives can include groups of farmers operating separately owned farms, or may include groups of farmers farming a jointly-owned farm. Cooperative infrastructure can include services such as aggregation, packaging, and transportation, and/or physical infrastructure such as land and farming equipment.

Backbone support and/or training - coordinates (or trains others to coordinate) the activities of multiple organizations towards a common goal.

Capacity analysis - identifies the ability (capacity) of an organization, process, service, etc. to carry out a particular function, e.g. if demand for locally-sourced milk at schools is a certain number of gallons per week, what is the capacity of:

- a) local farms to produce milk
- b) aggregation infrastructure to provide milk to processors
- c) local processors to process & package milk
- d) delivery infrastructure to handle milk.

Capacity building - technical assistance intended to increase the ability of an individual or organization to meet their stated goals. This is a **very broad category** as usually defined.

- The UN, which uses the term “capacity development”, defines it as “the process through which individuals, organizations and societies obtain, strengthen and maintain the capabilities to set and achieve their own development objectives over time.” Capacity building may include strengthening institutions, assisting clients to diversify product lines, and more (e.g. a cottage food producer wants to make the jump to larger-scale production, so capacity building for that goal could include assistance with regulatory compliance, understanding economies of scale, costing, etc.)

Demonstration farm - farm used to demonstrate or research agricultural techniques

Discussions/focus groups - moderated and/or facilitated discussions with a specific group of people (e.g. grain farmers) with specific aims (e.g. to find out what difficulties grain farmers have in working with regional millers).

Educational engagement - engagement with non-food-and-farm educational systems, such as providing courses for school children, or engaging higher ed students as interns or researchers.

Educational videos - Either as part of sector-specific education or general educational engagement, producing and providing video lectures, presentations, documentaries, etc. Videos can be provided online or in hard copy.

Evaluation & impact - understanding the effects and effectiveness of programs and interventions.

Facilitation services - Support and management of group collaborative activities. This may include management and coordination of peer-to-peer learning networks, etc.

Farm/food business certifications - Assisting farms and food businesses in achieving or retaining certifications such as GAP/GHP, organic, health department compliance, etc.

Farmers' market development - organizing and coordinating the creation of farmers' markets, or further developing a farmers' market (e.g. assisting with expansion, relocation, change of direction, hiring a market manager, raising funding, etc).

Land bank - an organization that aggregates and manages parcels of surplus or abandoned land. Land banks are often affiliated with local governments and manage government-owned properties.

Business Builder Subaward Grant Definitions

Low-income area - a census tract as reported in the most recently completed decennial census published by the United States Bureau of the Census that has a poverty rate of at least 20 percent or in which the median family income does not exceed 80 percent of the greater of the statewide or metropolitan median family income.

Moderate-income area - a census tract as reported in the most recently completed decennial census published by the United States Bureau of the Census in which the median family income is between 81 percent and 95 percent of the median family income for that area.

Underserved community - a census tract that is federally designated as a food desert by the United States Department of Agriculture, or a census tract in a low-income or moderate-income area that includes a substantial subpopulation such as the elderly or the disabled that has low supermarket access, regardless of distance, due to lack of transportation.

Agricultural products - means agricultural, horticultural, viticultural, and dairy products, livestock and the products thereof, the products of poultry and bee raising, the edible products of forestry, and any and all products raised or produced on farms and processed or manufactured products thereof.

Institutions - defined as schools, restaurants, daycares, senior centers, etc.

Producers – those raising or growing agricultural products that are nationally legal.

Aggregators - those gathering and storing agricultural products.

Distributors - those transporting or intended to be transported in interstate and/or foreign commerce.

Financial Documents - also known as financial statements, are used for reporting financial information about a business or non-profit, in a standardized format. These documents typically include: the balance sheet, profit and loss statement, income statement, and cash flow statement.

Food Access Points - For purposes of defining a "food access point" the following terms have the meanings given them:

- (a) "Farmers' market" means an association of three or more persons who assemble at a defined location that is open to the public for the purpose of selling directly to the consumer the products of a farm or garden occupied and cultivated by the person selling the product.
- (b) "Food hub" means a centrally located facility with a business management structure that facilitates the aggregation, storage, processing, distribution, marketing, and sale of locally or regionally produced food products, and which may include a small-scale retail grocery operation.
- (c) "Grocery store" means a for-profit, not-for-profit, or cooperative self-service retail establishment that sells primarily meat, fish, seafood, fruits, vegetables, dry groceries, and dairy products and may also sell household products, sundries, and other products. Grocery store includes a supermarket or a large-, mid-, or small-scale retail grocery establishment and may include a mobile food market or a delivery service operation.
- (d) "Mobile food market" means a self-contained for-profit, not-for-profit, or cooperative retail grocery operation located in a movable new or renovated truck, bus, or other vehicle that is used to store, prepare, display, and sell primarily meat, fish, seafood, fruits, vegetables, dry groceries, and dairy products and may also be used to sell a nominal supply of cooking utensils and equipment and other household products and sundries.
- (e) "Small food retailer" means a small-scale retail food outlet, other than a grocery store as defined in this section. Small food retailers include, but are not limited to, a corner store, convenience store, farmers' market, mobile food market, and a retail food outlet operated by an emergency food program or food hub.

Technical Assistance - means needs-based project assistance provided through the program, including sustainability focused individualized guidance, presentations, workshops, training, printed materials, mentorship opportunities, peer-to-peer opportunities, or other guidance and resources on relevant topics such as business planning, sales projections, cash flow, succession planning, financing, fundraising, marketing, food preparation demonstrations, and workforce training. It also includes community engagement to identify and prioritize projects/programs that address regional bottlenecks for small to mid-sized food value chain businesses. It can also include grant writing, grant administration or coordination (including navigation of project/program changes) and/or fiscal administration during the term of an award. Assistance with grant reporting is a typical part of TA services.

C-TAP - means Center funded technical assistance provider that is a key partner in the USDA/ARFBC cooperative agreement.

Equipment - is defined as tangible personal property (including information technology systems) having a useful life of more than one year and a per-unit acquisition cost that equals or exceeds the lesser of the capitalization level established by the NFE for financial statement purposes, or \$5,000.

Acquisition cost - means the cost of the asset including the cost to prepare the asset for its intended use. Acquisition cost for equipment is the net invoice price of the equipment, including the cost of any modifications, attachments, accessories, or auxiliary apparatus necessary to make it usable for its acquired purpose.

FFAFTA - Federal Funding Accountability and Transparency Act (FFATA) - The Federal Funding Accountability and Transparency Act (FFATA) requires reporting for sub-awards of \$30,000.00 or greater and documentation of this process on a recurring basis. The requirement for FFATA reporting is cumulative. Any entity receiving \$30,000.00 or more from any of the 12 Regional Food Business centers will be required to report funds awarded.

- *Any recipient will be expected to comply with reporting requirements as required by the USDA and 2 CFR 200. This includes submitting, in cooperation with the Center, a FSRS report if and when total funding in any form or combination, equals or exceeds \$30,000 dollars.*

General Purpose Equipment - means equipment that is not limited to technical activities. Examples include office equipment and furnishings, modular offices, telephone networks, information technology equipment and systems, air conditioning equipment, reproduction and printing equipment, and motor vehicles.

Special Purpose Equipment - is equipment used only for research, scientific, or technical activities. Unallowable for acquisition costs of general-purpose equipment or lease agreements to own (i.e., lease-to-own or rent-to-own).

Allowable for rental costs of general-purpose equipment when provided in the approved budget or with prior written approval. Vehicles may be leased but not purchased. The lease or rental agreement must terminate at the end of the grant cycle. For vehicle and equipment leases or rentals with an acquisition cost that equals or exceeds \$5,000, rates should be in light of factors such as: rental costs of comparable vehicles and equipment, if any; market conditions in the area; alternatives available; and the type, life expectancy, condition, and value of the vehicle or equipment leased.

Evaluation Definitions

Aggregated - refers to data that are a condensed representation of information achieved through techniques like summing, averaging, or counting. Its purpose is to display patterns, trends, and correlations.

Center - refers to a team of the designated Principal Investigator and Co-Investigators representative of the Regional Food Business Center for the Appalachia region. The Center is housed by Rural Action

Center-Collected - refers to any data that is gathered by CRAFT at Chatham University. This typically will be done by utilizing a university-affiliated Qualtrics license or alike.

Data Source refers to the individual dataset associated with a specific project for a specific date.

De-Identified - is the process of modifying or processing identifiable information so it can no longer be linked to an individual without the use of additional information. The purpose of this the process is to protect individuals' privacy and confidentiality.

Identifiable - refers to information that can be used, either alone or in combination with other information, to identify, locate, or contact an individual. Examples of this information would be personal identifiers, contact information, and geographic location.

Organization-Collected - means any data that is gathered by external key partners and collaborators of ARFBC. External partners can include the following: State Teams, Theme Teams, Recipients of Center funding, Recipients of State Team funding, or Recipients of Theme Team funding.

Qualtrics is a web-based survey and data collection tool for creating and conducting online surveys. It can be used to conduct research, departmental surveys, and academic surveys. The enterprise license is funded and maintained by Chatham University.