



## **GOAT & SHEEP DIVERSIFICATION PROGRAM**

*(Approved August 17, 2001)*

*(Amended December 15, 2006)*

The following guidelines and recommendations have been developed for the creation of county programs seeking to establish and improve the production and marketing of goats & sheep in Kentucky, utilizing county Agricultural Development Funds. Assistance will be in the areas of on farm handling equipment installation, genetic improvement, establishment and expansion of the goat herd/sheep flock, dairy goat production, and wool.

This document provides program goals, eligible investments, and implementation guidelines for agencies seeking to initiate a local program. Guidelines are considered to be minimum standards by which a program is to be implemented.

Questions concerning these guidelines should be directed to the Governor's Office of Agricultural Policy at (502) 564-4627. Applications for funds must be directed through the local County Agricultural Development Council(s).

### **I. Program Goals**

The goals of the program are to:

- Assist numbers of producers to diversify into goat/sheep production
- Position goat/sheep production as a viable and complementary income source for Kentucky livestock and tobacco producers
- Promote animal health and encourage science based solutions to obstacles of goat/sheep production
- Improve the wool quality of Kentucky sheep flocks
- Encourage the development of goat/sheep production, marketing, and value-added infrastructure
- Improve the genetic base of Kentucky's goat herds and sheep flocks

## II. Eligible Cost Share Items

A summary of eligible investments that could receive support from Agricultural Development Funds within the guidelines stated in this document may include any or all of the following:

- A. Handling Facilities, Equipment, and Barn Conversion for Goats/Sheep
- B. Buck and/or Semen Purchase for the Improvement of the Goat Herd
- C. Buck Lease for the Improvement of the Herd
- D. Breeding Female Purchase for the Establishment of Goat Herds
- E. Dairy Facilities for Goats

### A. On-farm Goat/Sheep Handling

**Goal:** To increase profitability of Kentucky goats and sheep by investing in small ruminant on-farm handling equipment that will enable producers to practice necessary health and management practices.

Healthy, well-managed goats and sheep are more desirable in the marketplace. However, most beginning goat and sheep producers lack the appropriate equipment on their farms to properly handle their herds/flocks. Parasite control and foot care pose unique challenges for goat producers, as goats require more frequent handling for de-worming and hoof trimming. While parasite control and regular handling of sheep flocks is essential to maintaining proper health. Working equipment specifically designed for the working of smaller livestock will reduce handling time and minimize operator and animal stress during treatment and handling.

Herd/flock health is key to the profitability of a goat/sheep enterprise. Applicants are encouraged to work on a herd/flock health program with a veterinarian knowledgeable in goat/sheep production and health.

### Cost Share Items

1. **Commercial head gate and holding chute:** Herd health care for larger herds/flocks is difficult without a head gate. It is usually considered the most important feature of the working facilities. It should be sturdy, safe, easily operated, and have a quiet action. Recommended types are the self-catcher and full-opening stanchion. The holding chute is attached to and immediately behind the head gate as a one-piece unit.
2. **Tilt table or sheep sling:** The tilt table/sheep sling can be used as an alternative to the holding chute (cost share funds for both a tilt table/sheep sling and holding chute will not be allowed). In this case, the tilt table is attached to and immediately behind the head gate. The tilt table provides complete restraint

of the animal and allows the animal to be rotated off its feet, making foot care easier for the producer.

3. **Working chute:** The working chute leads goats from the crowding pen to the holding chute. The purpose of the working chute is to hold goats in a line so they can enter the holding chute one at a time. Working chute sides should be solid to prevent outside distractions.
4. **Crowding tub and gate:** A crowding tub or pen is used to funnel goats into the working chute. A properly designed crowding area decreases the labor required to work goats. Use a small crowding tub that handles eight to ten goats at a time.
5. **Side Panels:** Solid sides on working chutes and crowding tubs prevent the animals from seeing people, equipment and other outside distractions. Side panels can be constructed using a variety of materials. No more than a 2" gap from the ground is recommended to prevent goats from trying to escape and getting their heads caught.
6. **Gates:** Easily operated, strong gates that swing both ways are important in a goat handling facility. Gates must be located in the corners of pens or other convenient places where it is natural for goats to come together. Gates used to sort goats do not need to have solid sides, but must be designed so as a goat cannot fit through the gate and need to be sturdy. A self-locking gate latch is recommended for all gates.
7. **One-way gates:** One-Way gates in working chutes allow goats to move forward in a working chute, but automatically prevent them from backing up.
8. **Loading chute:** Goats can be loaded on stock trailers from the working chute. However, portable loading chutes are available commercially to load goats from an alleyway.
9. **Footbath:** Footbaths are typically plastic tubs designed to hold solutions for the treatment of foot rot, a common ailment among goats/sheep. Footbaths should have a non-slip bottom, be at least 4 inches deep, and be placed in the working chute for the goats/sheep to pass through.
10. **Drench gun and reservoir:** This commercially available equipment is designed to administer oral de-wormers for internal parasite control.
11. **Foot trimmers:** Foot trimmers are used to trim the hooves of goats/sheep for proper foot care. Commercially available types of foot trimmers include foot shears, heavy scissors, and trimming knives.
12. **Small livestock scales:** Scales are an important part of effectively monitoring and evaluating the growth and health of a herd/flock. They are also critical in providing accurate information for marketing purposes.

13. **Feeders:** Bunk or creep feeders
14. **Goat Tote**
15. **Portable Kidding Pen**
16. **Lambing jugs/pen:** to separate animals for flock management. Three-sided shed type shelters for fields to provide shelter from heat and ease in handling sheep.
17. **Renovated and New Facilities:** Materials to renovate existing tobacco barns for use in goat/sheep production are eligible, as well as, construction of new goat/sheep facilities where no buildings exist for renovation.
18. **Bi-nocular microscope, freeswinging centrifuge, test tube racks:** basic equipment for testing for internal parasites
19. **FAMACHA chart:** to measure anemia
20. Computer hardware and software to assist in performance record keeping and financial management
21. One half the cost of participation in the Kentucky Farm Business Management Program
22. One half the cost of membership in a producer-owned marketing cooperative

#### **Prerequisites**

- Established relationship with a food animal veterinarian.
- Equipment is cost shared on a 50-50 basis with funds disbursed on a reimbursement basis according to receipts from vendors.
- Funds will reimburse material expenses and vendor labor. Labor provided by the individual applicant can only be considered for project MATCH. Documented grower labor may be used as match (\$16/hour), not to exceed 25% of total project cost. Applicant labor is NOT eligible for cost-share. [For construction projects.]
- **\$2,000 is the maximum** cost-share for handling equipment per farm. Equipment must be owned and maintained by the producer for a minimum of three years.
- A **minimum herd size of 20** breeding females is required to qualify for equipment cost share.
- Producers must have attended at least one goat/sheep management seminar, during the prior year, to receive cost-share funds. Proof consists of a certificate of attendance or letter from the organization sponsoring the event.

## B. Buck/Ram and/or Semen Purchase for Herd/Flock Improvement

**Goal:** To improve the genetics of Kentucky goat herds/sheep flocks through assistance in the purchase of quality, healthy bucks/rams.

### Cost Share Items

1. **Bucks** must be at least 6 months of age, in good health, have all required health papers, and be up to date on their CDT vaccinations. Bucks must be registered full bloods or purebreds with permanent identification.

**Ownership Requirements:** Ownership of bucks must be maintained for a minimum of **two (2) successive breeding seasons**. The only exceptions are listed below:

- a. **Genetic Diversification Clause** – In the event that a producer retains female offspring sired by the buck for use as breeding stock, the buck may be sold, **but MUST be replaced by another buck of equal or greater value. The replacement animal is not eligible for cost-share funds.**
  - b. **Emergency Early Release Clause** – The local program administrator<sup>1</sup> shall reserve the right to approve an early release, if it is determined that an animal, due to physical or disposition problems, is no longer considered sound for breeding purposes. The local program administrator can require the animal to undergo an examination by a licensed veterinarian to assist in determination.
2. **Semen** purchases from registered meat or dairy bucks will be allowed.
  3. **Rams** must be at least 4 months of age, in good health, and must be up to date on their CDT vaccinations. Rams must be permanently identified. Rams must be QR or RR to qualify for cost-share.

**Ownership Requirements:** Ownership of rams must be maintained for a minimum of **two (2) successive breeding seasons**. The only exceptions are listed below:

- a. **Genetic Diversification Clause** – In the event that a producer retains female offspring sired by the ram for use as breeding stock, the ram may be sold, but **MUST be replaced by another ram of equal or greater value.** The replacement animal is not eligible for cost-share funds.

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<sup>1</sup> Loss due to natural disasters or situations beyond the producer's control will not prevent future program participation.

- b. **Emergency Early Release Clause** – The local program administrator<sup>2</sup> shall reserve the right to approve an early release, if it is determined that an animal, due to physical or disposition problems, is no longer considered sound for breeding purposes. The local program administrator can require the animal to undergo an examination by a licensed veterinarian to assist in determination.

#### **Prerequisites**

- Funds will be disbursed on a reimbursement basis.
- Producer should have an established relationship with a food animal veterinarian and develop a health and parasite security program (see attached sample). This will help promote long-term herd sustainability and minimize herd management problems for new producers.
- Bucks and rams will be cost shared on a 50-50 basis up to a **maximum of \$1,000** per producer.
- Producers must have attended at least one goat/sheep management seminar, during the prior year, to receive cost-share funds. Proof consists of a certificate of attendance or letter from the organization sponsoring the even.
- All bucks/rams purchased through this program must have a **Breeding Soundness Exam**, using one of the two methods below, prior to receiving cost-share funds.

The cost of the exam should be negotiated between the buyer and the seller and may be included in the cost of the buck/ram purchase. The breeding soundness exam is the buyer's best insurance that the buck/ram will be fertile and productive.

1. **Semen Evaluation:** Semen evaluation is the only highly accurate method to evaluate the breeding soundness of bucks/rams. It is recommended that the Breeding Soundness Exam include semen evaluation through either an electronic procedure or collection with a teaser.
  - a. A licensed veterinarian must perform the semen evaluation.
  - b. The veterinarian must provide a signed statement certifying the results of the evaluation.
  - c. A written guarantee from the breeder that the buck/ram will be replaced, if it does not produce a kid/lamb crop, shall be provided in order to qualify for cost-share. This replacement is to be with a registered animal of equal value.

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<sup>2</sup> Loss due to natural disasters or situations beyond the producer's control will not prevent future program participation.

- d. Should it be proven that failure to produce offspring was caused by the buyer due to undernourishment, injury, etc. the breeder will not be required to provide a replacement. Negligence by the buyer must be confirmed by a second physical examination, conducted by a licensed veterinarian.
2. **Physical Examination:** If semen evaluation is not an available service in the county, then the following guidelines must be followed for the Breeding Soundness Exam:
- a. Physical examination, including the following, shall be conducted by a veterinarian
    - i. Examination of eyes, legs, and scrotum;
    - ii. Numbers, size, and texture of the testicles;
    - iii. Body condition of the buck/ram;
    - iv. Scrotal circumference (a breeding age buck of at least 7 – 8 months of age should have a scrotal circumference of 25 centimeters or more); and
    - v. Presence of a diagnosed abscess shall disqualify a buck/ram from this cost-share program.
  - b. A signed statement shall be provided by a veterinarian, certifying that the buck/ram has been examined and that the buck/ram is healthy, physically sound and capable of breeding.
  - c. A written guarantee from the breeder that the buck/ram will be replaced, if it does not produce a kid/lamb crop, shall be provided in order to qualify for cost-share. This replacement is to be with a registered animal of equal value.
  - d. Should it be proven that failure to produce offspring was caused by the buyer due to undernourishment, injury, etc. the breeder will not be required to provide a replacement. Negligence by the buyer must be confirmed by a second physical examination, conducted by a licensed veterinarian.

## **Recommendations**

- It is recommended that the seller be a member of a national goat breeder's organization. This recommendation will help protect the buyer.
- It is recommended that producers purchase breeding stock within Kentucky, whenever possible. This will minimize the stress of transportation and potential introduction of diseases and parasite strains not common to this area.

## C. Buck/Ram Lease for Herd/Flock Improvement

**Goal:** To improve the genetics of Kentucky goat herds or sheep flocks

Many Kentucky producers are new to goat production or have smaller flocks and may not currently have enough does to justify the expense of purchasing a high quality registered buck or a ram. Encouraging producers to utilize registered full blood males in the establishment of their herds will build a strong genetic base for new producers.

### Cost Share Item

1. **Bucks for lease** must be at least 6 months of age, in good health, have all required health papers, and be up to date on their CDT vaccinations. Bucks must be registered full bloods with permanent identification.

### 2. Ram lease

#### Prerequisites

- Funds will be disbursed on a reimbursement basis.
- Producer must have **less than 25** does in order to participate in a lease program.
- Producer should have an established relationship with a food animal veterinarian and develop a health and parasite security program (see attached sample). This will help promote long-term herd sustainability and minimize herd management problems for new producers.
- Contracts should be signed between the lessor and the lessee to outline the length of the lease as well as the expected care of the buck during the lease. Contracts should also state the responsible party in the event of injury, illness or death of the buck.
- Bucks will be cost shared on a 50-50 basis up to a **maximum of \$250** per producer. Rams will be cost-shared on a 50-50 basis up to a maximum of \$100 for a registered ram or \$50 for a cross-bred ram.
- Producers must have attended at least one goat/sheep management seminar, during the prior year, to receive cost-share funds. Proof consists of a certificate of attendance or letter from the organization sponsoring the event.

## D. Breeding Female Purchase

**Goal:** To aid Kentucky producers in the establishment of new goat herds/sheep flocks and the expansion of existing goat herds/sheep flocks through assistance in the purchase of quality, breeding females.

Kentucky has the opportunity to emerge as a leader in the goat industry due to both an abundant forage base and relative proximity to the end market. However, a major limiting factor in the successful marketability of Kentucky goats is the lack of large numbers of goats available at one time. By increasing the number of breeding females in Kentucky, we can rapidly increase the number of goats available for the market, which will attract additional buyers and improve market conditions for Kentucky goats.

Likewise, Kentucky sheep producers were once plentiful with sheep playing a vital role in Kentucky's economy. Flock numbers have decreased over the past 50 years. However, with the influx of ethnic markets and the fact that lamb remains a delicacy, Kentucky can be posed to regain its former status in the marketplace.

### Cost Share Items

**Breeding females** should appear healthy, have required health papers, and be up to date on their CDT vaccinations. Females need not be registered, but should have permanent identification.

**Ownership Requirements:** Ownership of does must be maintained two (2) years. The only exception is listed below:

**Emergency Early Release Clause<sup>3</sup>** – The local program administrator shall reserve the right to approve an early release, if it is determined that an animal, due to physical or disposition problems, is no longer considered sound for breeding purposes. The local program administrator can require the animal to undergo an examination by a licensed veterinarian to assist in determination.

### Prerequisites

- Funds will be disbursed on a reimbursement basis.
- Producer should have an established relationship with a food animal veterinarian and develop a health and parasite security program (see attached sample). This will help promote long-term herd sustainability and minimize herd management problems for new producers.
- **\$200 is the maximum** cost share available per breeding female.

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<sup>3</sup> Loss due to natural disasters or situations beyond the producer's control will not prevent future program participation.

- Breeding females will be cost shared on a 50-50 basis up to a **maximum of \$1,500 per producer**.
- Producers must have attended at least one goat/sheep management seminar, during the prior year, to receive cost-share funds. Proof consists of a certificate of attendance or letter from the organization sponsoring the even.

#### **Recommendation**

- It is recommended that producers purchase breeding stock within Kentucky, whenever possible. This will minimize the stress of transportation and potential introduction of diseases and parasite strains not common to this area.

### **E. Dairy Facilities for Goats**

**Goal:** To encourage and assist existing and new dairy goat producers throughout the Commonwealth in establishing and modernizing dairy facilities.

#### **Cost Share Items**

1. Milking equipment
2. Feedways, forage mixers, feeding equipment systems
3. Renovation of existing dairy barns or existing tobacco barns into dairy facilities
4. Construction of new dairy facilities where no buildings exist for renovation
5. Animal and raw milk transport equipment (excluding motorized vehicles)
6. Cooling and raw milk storage equipment
7. Manure collection and distribution equipment (excluding manure spreaders)
8. Equipment essential to provide on-farm value-added processing
9. Computer hardware and software to assist in performance record keeping and financial management
10. One half the cost of participation in the Kentucky Farm Business Management Program
11. One half of the cost of membership in a producer-owned marketing cooperative
12. Promotional and advertising materials in an amount not to exceed \$1,000, and not to include products or services provided by the Kentucky

Department of Agriculture or other state programs.

13. On-farm direct-to-consumer sales cost-share items:

- a. Construction of new permanent structures or conversion of existing structures to be used for retail sale of product.

**[Meeting rooms, exposition centers, educational facilities and construction or improvements to buildings serving primarily as residences are not eligible cost share items.]**

- b. Site preparation including on-site utility extensions and officially permitted on-site waste treatment facilities
- c. Refrigerated equipment for storing product
- d. Display equipment, including refrigerated equipment, to assist in selling of product

**Prerequisites**

- Funds will be disbursed on a reimbursement basis.
- Producer must provide receipts for each item being funded. If funds are being borrowed, then a legal description of each item offered as collateral must accompany request for funds.
- Funds will reimburse material expenses and vendor labor. Labor provided by the individual applicant can only be considered for project MATCH. Documented grower labor may be used as match (\$16/hour), not to exceed 25% of total project cost. Applicant labor is NOT eligible for cost-share. [For construction projects.]
- Producer should have an established relationship with a food animal veterinarian and develop a health and parasite security program (see attached sample). This will help promote long-term herd sustainability and minimize herd management problems for new producers.
- Dairy facilities will be cost shared on a 50-50 basis up to a **maximum of \$5,000 per producer**.
- Producers must have attended at least one goat management seminar, during the prior year, to receive cost-share funds. Proof consists of a certificate of attendance or letter from the organization sponsoring the even

## F. Wool Processing & Value-added Production

**Goal:** To improve the quality of the wool that is produced from Kentucky sheep producers. To assist producers in generating value-added products made from their wool.

The wool pool is typically the place where most producers sell their wool. The price of wool has been very low and has not offered the sheep producer enough income to offset their shearing expense. Improving the quality of their wool can, at a minimum, triple their wool income. If producers create value-added products, then their wool income could easily exceed their meat income from their sheep. The result is generating twice the income that the producer realized previously.

### Cost Share Items

1. **Carding, spinning, knitting, felting, weaving equipment:** Machines or hand equipment can provide the producer the ability to make their wool into a sellable product without leaving their farm.
2. **Dyes and dyeing supplies:** Adding color to wool for the spinning or knitting market enhances the price of the product.
3. **One-half the cost of guild membership** in a fiber organization.
4. **On-farm direct-to-consumer sales** cost-share items:
  - a. Construction of new permanent structures or conversion of existing structures to be used for retail sale of product.  
  
**[Meeting rooms, exposition centers, educational facilities and construction or improvements to buildings serving primarily as residences are not eligible cost share items.]**
  - b. Site preparation including on-site utility extensions and officially permitted on-site waste treatment facilities
  - c. Refrigerated equipment for storing product
  - d. Display equipment to assist in selling of product

### Prerequisites

- Funds will be disbursed on a reimbursement basis.
- Producers must have attended at least one sheep management seminar, during the prior year, to receive cost-share funds. Proof consists of a certificate of attendance or letter from the organization sponsoring the event.
- Wool processing & value-added production will be cost shared on a 50-50 basis up to a **maximum of \$5,000 per producer.**

### III. Application Procedures

#### A. Guidelines for Local Agency Application for Program Administration

1. The local agency must be qualified and willing to administer the full responsibilities of the program. A tax identification number, a letter expressing a willingness to administer the program, and an indication of specific individuals that will be responsible for administering and reporting on the program must be included in the application.
2. Regional agencies may participate as grantees, if Agricultural Development Councils from the region concur. Regional grantees will be required to account for Agricultural Development Funds on a county-by-county basis and may spend County funds only in the County from whose account funds are drawn, unless the respective County Agricultural Development Council has agreed to fund expenditures outside its county boundary.
3. The program administrator shall identify two co-signers for the purpose of signing checks and disbursing funds from the program's account. The program administrator shall indicate who they are and their position within the organization.
4. Either the fiscal agent or the individuals who sign checks for the program shall be bonded or appropriately insured at a level sufficient to cover the amount of the funds being administered. Documentation of bonding or appropriate insurance shall be submitted with the signed legal agreement.
5. The local agency must communicate in the application the activity and scope of existing related county programs supporting the eligible investment areas in Agricultural Diversification that farmers can access through other agencies. Need for a new program must be clearly evident in the application.
6. The *County Model Program Application*, including cover sheet and all other documents specified in the application, must be submitted with a *County Priority Sheet* for new program requests. Requests for additional funds, within the 12-month term of the original agreement, require the *Application Cover Sheet* and the *County Priority Sheet*.

The program administrator shall also submit minutes of a business meeting within the past 12-months where signatory authorization is given to the Authorized Representative listed on the application cover sheet.

7. Agricultural Development Funds contributed to the program cannot exceed 50%, unless the program administrator or the County Council determines that a reduced match is needed for this program.

The Council may approve a reduction in the producer's cost-share for this program to an amount **no less than 25%**. This decision and the cost-share percentages shall be indicated on the *County Council Priority Sheet*, which is sent to the Agricultural Development Board with the application.

8. Counties shall place a dollar cap on the maximum cost share per producer [defined by Social Security Number (SSN) / Tax Identification Number (TIN) and Farm Serial Number (FSN)] for **Goat & Sheep Diversification** of up to **\$5,000.00** for the 12-month period from the execution date of the legal agreement between the administrator and the Agricultural Development Board.
9. There is a Lifetime Maximum of \$15,000 for this program. "Lifetime Maximum" means that **no producer, defined by Social Security Number (SSN) / Tax Identification Number (TIN) and Farm Serial Number (FSN), shall receive more than \$15,000 in this program, retroactive to the beginning of this program.**
10. Any funds requested for administrative purposes shall not be used to replace the funding sources of existing or established salaries and positions. Program administration funds may be used for costs above and beyond normal duties and salaries that are associated with:
  - a. Processing of producer payments;
  - b. Processing of producer applications;
  - c. Completion of program reporting forms;
  - d. Promotion of program availability;
  - e. Cost of bonding; and
  - f. Program compliance activities

One or more local agencies may combine administrative functions to create more efficient programs of grant administration.
11. The program administrator shall ensure that commingling of agricultural development funds with other funds does not occur. Therefore, the program's funds shall reside in a unique and separate bank account from any other account, but may be included in an account that is exclusively for agricultural development fund programs.

Administrators who are the fiscal agent for multiple counties should keep at a minimum one account per county. However, one account per program per county is encouraged.
12. Local program sign-up and advertising shall not occur prior to the execution of the legal agreement between the program administrator and the Agricultural Development Board.
13. Demonstration programs are strongly recommended as part of the Cooperative Extension Service role in the program. The demonstrations should show differences between production techniques and marketing for that particular enterprise. While eligibility to participate need not be explicitly tied to attending a demonstration, it is strongly recommended that these demonstration programs be a component of this model program.
  - a. Demonstration program promotion should be evident in the application. It is recommended the demonstration be local and on-farm.

- b. It is recommended that funds be set aside for implementation of the demonstration program, reimbursed by receipt. These costs would not include food for field days, but should be expendables related to the demonstration.

14. Attendance at educational sessions related to the establishment of the local diversification program shall be required for participation in the program.

## **B. Guidelines for Local Agency Administration**

1. After receiving a copy of the executed agreement, there shall be a minimum of two consecutive weeks of advertising with applications being accepted no earlier than two weeks after the date of the first advertisement. This must occur for each sign-up period, if there is more than one sign-up during the duration of the grant agreement.

For example, when the administrator receives a copy of their executed agreement they may begin advertising for sign-ups. If the first advertisement runs January 15, then the first application may be taken January 29.

2. An advertisement must, at the very least, be prominently displayed in the county's newspaper where the most farmers will see it. A copy of the advertisement, which included the name and date of the newspaper, shall be submitted to the KADB staff.
3. The application and program promotion and communication plan should be outlined in the agency's application for Agricultural Development Funds. The application shall be submitted to and approved by the program administrator before the producer can receive reimbursement for any costs incurred.
4. A producer application for the program must be developed by the administrative agency. Award of cost-share funds shall be based upon evaluation criteria established prior to application for funds.

Administrators are strongly encouraged to use a scoring system that gives tobacco dependent farmers priority, by providing points for tobacco dependency, including those who are the son/daughter of a tobacco dependent producer. KRS 248.711 (2) (h) states that eligibility for county funds shall require that tobacco farmers be given priority. Tobacco dependency documentation may include a Phase II check, Buyout Contract/check, or current tobacco contract.

The program administrator will establish a committee or process to review each application for completeness and score each application according to the evaluation criteria established for the program.

Suggested evaluation criteria may include, but not be limited to:

- a. Applicant's level of dependency on tobacco;
- b. Applicant's prior receipt of Agricultural Development Funds;
- c. Percentage of personal income from farming.

The administrator's Project Analyst can provide samples of scoring sheets from other counties.

5. In cases where there is a waiting list, it is recommended that extra points be part of the scoring system to ensure that those approved, but not receiving funds in the prior 12-month program, receive priority in the new program.

Applicants must indicate their intent to be considered in the new program, or their application will not be automatically rolled over into the new program for funding consideration.

6. Deadlines shall be established for producer application and reimbursement periods so producers have concrete timelines to implement the program. Should they fail to meet the deadlines for reimbursement, they must reapply to be considered for cost-share.
7. Approved producers must submit the Producer Report associated with the program/investments being cost-shared, **before** reimbursement funds are received.

These Producer Reports are for the Administrator to use in filling out the reports for the program, and to maintain on-file.

8. The program shall be open to all county/regional producers and shall not be tied to participation in any organization.

Administrators shall not reject an application solely based on the applicant's residency, assuming funding is available and the application meets the program guidelines. Administrators shall accept an application if the applicant's farm is located in the county and the cost-share will be used in the county, even if the Farm Serial Number (FSN) is registered in another county.

9. Each individual/producer who receives \$600 or more shall be supplied an IRS form 1099 or equivalent tax accounting documentation. The program administrator is responsible for distributing the necessary tax information.
10. The program administrator may choose to include eligible model cost-share program expenses for reimbursement on a retroactive basis. However, this retroactive date shall not be more than 12 months prior to the producer's application for this program.
11. Program administrators shall be required to conduct random site visits.
12. Legal agreements between the program administrator and the Agricultural Development Board shall be for a term of 12-months from the execution date of the agreement. There will be no renewals or extensions of this agreement.
13. If funds set forth in the agreement between the Agricultural Development Board and the administrator are not completely utilized within the term of the legal

agreement, then remaining funds, including interest, shall be returned to the Agricultural Development Board for redeposit into the county's account.

Checks should be made payable to the **Kentucky State Treasurer**.

14. Any and all interest earned on funds for this program shall be applied to this program. Any remaining funds, including interest income, shall be returned to the Agricultural Development Board for redeposit into the county's account at the end of the term of the agreement. All interest earned shall be reported on a semi-annual basis.
15. **Reporting: Semi-annual Reporting**, which includes the *Model Program Summary* and *Fiscal Detail Report*, is required of the program administrator every 6-months after the execution date of the legal agreement. Reporting forms can be downloaded from [http://agpolicy.ky.gov/funds/program\\_reporting.shtml](http://agpolicy.ky.gov/funds/program_reporting.shtml). These reporting forms shall be submitted electronically to [govkyagpolicy@ky.gov](mailto:govkyagpolicy@ky.gov) or on a diskette mailed to Governor's Office of Agricultural Policy/404 Ann Street/Frankfort, KY 40601.

A **reconciliation report** is due 60 days after the term of the agreement. The reconciliation report includes, but is not limited to, the *Model Program Summary* and the *Fiscal Detail Report* for any payments made since the last submitted mid-term report. Also, copies of bank statements with check numbers and amounts shall be kept on file according to the legal agreement and presented in the event of an audit. Administrators shall maintain all administrative records for this program for a period of seven (7) years.

The **Close-out** of this agreement may occur when the above is completed and verified, and any programmatic data due from producers is submitted. This final close out may occur at a date beyond the reconciliation, depending on the program.

16. Model program guideline compliance and semi-annual reporting of expenditures are essential to gauging the impact and continuity of the program. Therefore, county model programs may be audited on a random basis. The administrator shall produce all documents pertaining to individual producers who participate in this program, as well as other appropriate financial documents related to this program's account.
17. For this program, the program administrator may **distribute awards** to applicants in **multiple increments**, similar to the "Hay, Straw, & Commodity Storage" program.
18. Administrators who fail to follow the guidelines for this model program, or who fall behind in reporting, may be placed on a "watch list" or placed on "probation." Administrators who are placed on probation and do not meet the terms of their probation may be "suspended" and no longer eligible to administer Agricultural Development Fund programs/projects.

### C. Guidelines for Producer Application Development by Local Agency

1. A producer application for the program shall be developed by the local agency. The application and program promotion and communication plan shall be outlined in the agency's application for funds under the model program.
2. The producer application must be signed and dated by the producer and must include a date/time stamp from the program administrator, as well as the initials of person logging in the application.
3. Postmarks or dated letters of application shall not override the stamp applied by the administrative body.
4. A producer application from an individual without a Tax ID (TIN) / Social Security (SSN) Number and Farm Serial Number (FSN) will be considered incomplete.

Tenant farmers or those leasing land where the cost-share improvements will be located should supply a copy of their Schedule F, if they are unable to obtain permission to use the owner's FSN.

For all capital construction projects/improvements, the land owner **must** be the applicant.

5. The producer application shall clearly state all pertinent requirements, including evaluation criteria.
6. A statement regarding the understanding of requirements by the producer and verification of the producer's total cost-share awarded under this program shall be included with the application. The **Producer Certification Form** (Appendix A) must be included in the producer application for this program.

### D. Producer Funding Guidelines

1. Fund distribution to producers will be on a reimbursement basis.
2. The producer shall supply a numbered and dated receipt indicating buyer and seller information in order to be eligible for payment. Payment shall only be made for eligible cost-share items identified in Section II of these guidelines.
3. Producers who intend to take part in the program shall supply a Social Security (SSN) or Tax ID TIN) number and Farm Serial Number (FSN) to receive payment. Both of these numbers must be supplied to the Agricultural Development Board.

The Agricultural Development Board recognizes every applicant's right to privacy and understands it's obligation to keep applicant/producer information confidential. Any information provided to the Agricultural Development Board or Program Administrator on individual producer applications for model programs, such as the applicant's Social Security / Tax Identification Number, will be kept confidential by authority of the Agricultural Development Board as granted in KRS 248.701 to 248.727 and by KRS 61.878. The Agricultural Development Board does not disclose any nonpublic personal information regarding applicants/producers, past or present, except as permitted or required by the Kentucky Open Records Act, KRS 61.870 to 61.884 or other law(s).

4. [For capital construction projects] Producers shall provide an annual report on the program and maintain ownership of the property for 5 years past the participation date in the program.
5. Should the producer fail to utilize funds by the program administrator's reimbursement deadline, said funds shall be reallocated to the next available application. Additionally, the producer must reapply to be considered for cost-share funds.

## Producer Certification Form

*(Producer: Please retain a copy for your records. Administrator: Please keep with producer's application.)*

The overall mission of the Agricultural Development Fund is to help the agriculture community diversify their agricultural operations and increase net farm income. To that end, Model Programs were developed to provide cost-share assistance to individual producers through a local program administrator. To judge the success and impact of these programs, as well as monitor the distribution of these funds, the Agricultural Development Board requires the below information. This information is required for a producer to receive funding.

All confidential information provided by the applicant shall be protected by the Agricultural Development Board and the County Agricultural Development Council, as outlined in the model program guidelines and the Kentucky Open Records Act, KRS 61.870 to 61.884.

<b>Name:</b>	
<b>Farm Serial Number (FSN):</b>	<b>Social Security (SSN) / Tax ID (TIN) Number:</b>
<b>Farm Address:</b>	
<b>Farm County:</b>	

### Funds Received through This Model Program

**Please list all funds received through the \_\_\_\_\_ (specify program) model program by year in this or any other county.**

<b>2001-2005: \$</b>	<b>2006-07: \$</b>	<b>Total Funds: \$</b>
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*Note: Please refer to the model program guidelines for 12-month term maximums and lifetime program maximums.*

I, \_\_\_\_\_, hereby certify that I have read all of the terms and requirements for this program and agree to follow the guidelines. I understand that I am required to provide all of the above information prior to participation in this program.

I also certify that I have not received funds for this model program from another county for the above FSN within the last 12 months.<sup>§</sup>

I agree to use the funds I receive in the manner intended by the Agricultural Development Board and the Program Administrator. I further agree to provide copies of invoices, receipts, cancelled checks, etc. to the Program Administrator.

I will report the progress and results of these improvement practices and any resulting economic value to my operation.

Signature:	Date:
Name Printed:	

<sup>§</sup> Note Hay, Straw, Commodity Storage and Farm Livestock Fencing participants shall not have participated within the last 18-months.

## **Considerations for Goat Health and Parasite Security**

### **Health Recommendations for Purchased Goats:**

Purchased goats should have access to good quality forage and clean water as soon as possible after arrival to the farm.

Purchased goats should be isolated from other goats for 30 days following purchase. This assists the buyer in identifying and treating any diseases and prevents the transmission of disease to other goats in the herd.

A certificate of veterinary inspection dated within the last 30 days with individual animal identification numbers must accompany goats purchased from out of state. The Kentucky State Veterinarian, depending on the state of origin, may require other documents. To obtain specific health requirements, have your veterinarian contact the State Veterinarian's Office.

Purchased goats should be up to date on their CDT vaccinations. If an accurate record of the latest CDT vaccination is not available, it is best to give every purchased animal a CDT vaccination upon arrival.

### **Parasite Control Recommendations for Purchased Goats:**

Purchased goats should be de-wormed with two products of different chemical classes (see chart below) upon arrival at the farm. Fecal samples should be collected 7-10 days later and examined for worm eggs. These precautions will help prevent the introduction of new possible drug resistant strains of gastrointestinal nematodes.

Based on fecal samples collected 7-10 days following de-worming, consideration should be given to the use of a *coccidia* control product during the isolation period.

### **Classes and Trade Names of Popular De-wormers**

<b>Trade Names</b>	<b>Class</b>
Panacur, Safe-Guard, Valbazen	A
Rumatel, Tramisol	B
Ivomec, Dectomax	C
Cydectin, Quest	D