Kentucky Department of Agriculture Commissioner Jonathan Shell



2025-2026 Kentucky Proud® Buy Local Program Distributor Provider Application & Guidelines

What is Buy Local? Buy Local is an incentive program offered by the Kentucky Department of Agriculture (KDA) to reward restaurants and other food service participants for enhancing their menus with locally sourced Kentucky Proud® ingredients. Our goal is to facilitate greater utilization of our farmers' bounty, while making it easier for the food service community to prepare these products for the dining pleasure of their patrons. By sourcing Kentucky Proud® food products, your customers are confirming their commitment to serving fresh, local food while supporting Kentucky's farm families.

| Business Name: | |
|--------------------------------|------------------|
| Contact Name: | Title: |
| Address: | |
| City: | State: <u>KY</u> |
| Zip: | County: |
| Web Site: | |
| Business Phone: | |
| E-mail Address: | |
| Kentucky Proud® Member Number: | |

About the Program: The KDA is focused on creating greater demand for the agricultural production made possible by our Commonwealth's farms and these incentives are based on purchases that directly benefit these stakeholders. By participating in this program, your business can receive a 2.5% reimbursement on the sales of eligible ingredients sold by your team to approved foodservice participants and prepared for their customers. You will be encouraged to promote Kentucky Proud® through your various marketing channels and in conversations with your customers. Our staff will be glad to assist in helping you identify more sources for Kentucky grown commodities and discussing strategies for gaining customer support for these decisions. While we value all segments of our food production system in Kentucky and encourage our manufacturers to seek Kentucky Proud® designation for their products, we are highlighting the role Kentucky farms are contributing through a Gold, Silver, and Bronze notation system.

Program Guidelines

- Participants must have Active membership status in Kentucky Proud®. You can complete a Kentucky Proud® application at: http://www.kyproud.com
- For the purpose of the program, distributors are defined as businesses that provide multiple eligible products from at least three separate Kentucky Proud farms or approved Kentucky Proud vendors.
- Distributors who provide detailed quarterly reports on behalf of the participating restaurants will be considered for a 2.5% reimbursement on their eligible sales. The distributor's incentive will be in addition to your customer's reward and will be contingent on both parties adherence to the program guidelines.
- Distributors must be able to substantiate the level of direct farm impact and provide guidance on the processor and/or farms from which the products originated. This information will be used to designate your portfolio of Kentucky Proud® products as Gold, Silver, or Bronze.

Program Guidelines (continued)

- Your customers who participate in the program will be eligible for a 15% reimbursement on their Gold category items.
 An overview of the category descriptions and examples of eligible products is provided in the next section of the application.
- Your participating customers' silver category purchases will also be eligible for reimbursement at 15%, but will be limited to no more than 25% of their total reimbursement for the quarter. For example: if a restaurant makes Gold purchases of \$750 and Silver of \$250, the restaurant would be eligible for a 15% rebate on the entire \$1,000 of purchases, thus earning a \$150 reward.
- Any Silver category purchases exceeding the 3:1 ratio as illustrated, would be ineligible for reimbursement.
- Your firm's incentive for brokering these sales and providing the detailed quarterly reports of eligible items sold to participants will be 2.5% of these approved sales. If you provided all \$1,000 of the products, your stipend would be \$25 in the example above. Your incentive will be based on sales not exceeding the 3:1, Gold:Silver ratio per restaurant.
- Your quarterly reports must be submitted to KDA electronically in an Excel file that provides the following information: Customer Name, Invoice Number, Date of Sale, Kentucky Proud® Product Description (including a means of coding such products as "Kentucky Proud®"), Quantity, Price per Unit, and Total Sale Price.
- Requests for reimbursements are due on a quarterly basis and any sales made prior to that reporting period will be ineligible for reimbursement consideration:
 - o 2025 Quarter 1 (January March purchases) due by April 30, 2025
 - o 2025 Quarter 2 (April June purchases) due by July 31, 2025
 - o 2025 Quarter 3 (July September purchases) due by October 31, 2025
 - o 2025 Quarter 4 (October December purchases) due by January 31, 2026
 - o 2026 Quarter 1 (January March purchases) due by April 30, 2026
 - o 2026 Quarter 2 (April June purchases) due by July 31, 2026
 - o 2026 Quarter 3 (July September purchases) due by October 31, 2026
 - o 2026 Quarter 4 (October December purchases) due by January 31, 2027
- All reimbursement documentation submitted by distributors and their participating customers will be reviewed quarterly
 and determinations made by KDA staff on the appropriate payment to all parties.
- The KDA will reimburse the Distributor on eligible items on a quarterly basis until it has reached the \$36,000 lifetime cap or until funding is depleted. The quarterly maximum reimbursable amount is \$1,250.
- Coordination is encouraged between the distributors and the foodservice participant as to the submission of quarterly sales reports. Foodservice participants may be required to submit their corresponding invoices for the quarterly sales report provided by the distributor. Documentation for eligible items purchased and submitted for reimbursement will be reviewed to ensure program compliance and to prevent double payment.
- While there will be no reimbursement to the distributors for Bronze purchases, we ask that you identify and report these
 sales as a third category. We value the economic importance of our Kentucky based food processors and would like
 to support their product awareness.
- Products not further prepared by your customers as part of their menu offering and simply offered for resale through their gift shop or storefront are not eligible for the program.
- Invoices for products sold before KDA staff approves your and your customers' applications for the Buy Local program are not eligible for reimbursement.
- Applicants and awardees are encouraged to contact KDA for further clarity.
- Enrollment in the 2025-2026 Buy Local program will provide the program participant reimbursement eligibility for sales made through December 31, 2026, contingent upon funding availability and compliance with all terms of the program.



Funding for the Buy Local program is made possible via a grant from the Kentucky Agricultural Development Fund

Kentucky Proud® membership is limited to those who produce or directly serve in a marketing capacity of Kentucky-grown agricultural products as defined by KRS 260.016. KRS 260.016(1) "Agricultural product" means any farm product grown, raised, or produced as a result of being in the business of "agriculture" as defined by KRS 246.010; and (2) "Kentucky-grown agricultural product" means any agricultural product grown, raised, produced, processed, or manufactured in Kentucky. Guidance on product eligibility within the Buy Local program is provided below:

GOLD SILVER BRONZE

Edible agricultural products that have 100% Direct Farm Impact. The intent is that these products have Direct Kentucky Farm Impact with only negligible inclusion of other ingredients added for safety or other product enhancements. These direct farm impact products must be sourced directly from a Kentucky farm where the commodities were raised, from a processing plant that can identify the Kentucky farm of origin, or a distributor that can track either of these conditions. Farms or processors identified as the direct source of these products must be active members of Kentucky Proud®.

Edible processed agricultural products where significant portions of the commodities used to produce the products were sourced from Kentucky farms and have some level of Direct Kentucky Farm impact. The major ingredients for these products must have originated from Kentucky farms and there should be an ability to identify some of the farms involved for the promotion of the products. Processors of these products must be active members of Kentucky Proud®.

Edible agricultural products harvested, produced, processed, or manufactured in Kentucky that have negligible Direct Kentucky Farm Impact. These are products where the major agricultural components are grown outside of Kentucky and the Kentucky portion of the ingredients are simply there for flavoring or other product enhancements. Processors of these products must be active members of Kentucky Proud®.

Gold Examples

Protein: Mary's chicken breasts from chickens raised on her farm

Dairy: Farmer Ryan's Dairy Products, LLC where the milk, cheese, and ice cream come from cows on his own farm Fresh Produce: Aubrey's dried fruits where she purchased all of her produce from her neighbor's farm

Canned/Jarred: Business A's soy sauces, where all of the soybeans are sourced directly from Kentucky farms

Grains: Business B's cornmeal where all of the corn is harvested from Kentucky Farms

Silver Examples

Protein: Business C's burgers with beef raised on Kentucky Farms but blended with trimmings from cattle shipped in from other states

Dairy: Ice Creamery, Inc. where they buy most of their milk and cream from a Kentucky Proud® milk processing plant

Fresh Produce: Business D's fresh juices where they sourced a significant portion of the produce from Kentucky farms but also included produce from other states Canned/Jarred: Tim's Pie Pantry where a significant part of the fruit is sourced from Kentucky Farms and blended with fruits from other states Grains: Melanie's Bread Bakery where the grains are sourced from Kentucky and other states

Bronze Examples

Protein: The pork for Uncle Jim's Country Ham comes from another state, but he cures in Kentucky

Dairy: Aunt Angela's Beer Cheese where she gets the cheese from another state but processes in Kentucky

Fresh Produce: Uncle Keith's Salsa where all of his ingredients come from other states but the processing takes place in Kentucky

Canned/Jarred: Business D's citrus syrups where all the fruit in the citrus jelly is sourced from other states but processed solely in Kentucky.

Grains: Business E's pasta where the wheat is being sourced from other states but the processing takes place in Kentucky

KENTUCKY DEPARTMENT OF AGRICULTURE AND

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| (KDA) and | ed into, by and between to ocal Program. The Agree , through December 31, | , to establish of establis | an agreement for the |
| | | | |

Scope of Services:

WHEREAS, the Department of Agriculture has developed the Kentucky Proud® "Buy Local Program" which is an incentive program offered by the Kentucky Department of Agriculture (KDA) to reward restaurants and other food service participants for enhancing their menus with locally sourced Kentucky Proud® ingredients; and

WHEREAS, the Agricultural Development Board has provided funds to the Kentucky Department of Agriculture for marketing initiatives which promote the Kentucky Proud® Program and has determined that all funds shall be used to provide economic assistance to the agriculture community of the Commonwealth; and

WHEREAS, the goal of the Buy Local Program is to facilitate greater utilization of Kentucky's farmers' bounty while making it easier for the food service community to prepare products for the dining pleasure of their patrons; and

WHEREAS, the Grantee, is qualified and has applied to participate in the Buy Local Program under guidelines issued by the Department of Agriculture which are attached hereto and incorporated by reference; and

WHEREAS, the Commissioner of the Kentucky Department of Agriculture is authorized to promote and encourage the agricultural industry of the state, and KRS 260.019 authorizes the expenditure of funds to be used for administrative expenses to support the Kentucky Proud™ Program, provide grants-in-aid, and other purposes and expenses related to promoting Kentucky-grown agricultural products.

Pricing:

1. The Kentucky Department of Agriculture shall make available to the Grantee a sum of up to Five Thousand (\$5,000) Dollars per calendar or One Thousand Two-Hundred and Fifty (\$1,250) Dollars per quarter for Distributors through participation in the Kentucky Proud® Buy Local Program. The Grantee understands that the lifetime maximum benefit allowed is Thirty-Six Thousand (\$36,000) Dollars and that funding received by the Grantee (since 2014) through its participation in the Restaurant Rewards program count toward the lifetime

maximum benefit.

2. The Grantee shall abide by all terms and conditions listed in the Kentucky Department of Agriculture "Buy Local Application & Program Guidelines" attached hereto, and incorporated by reference.

AGREED:

This Agreement is subject to the terms and conditions stated herein. By affixing signatures below, the parties verify that they are authorized to enter into this Agreement and that they accept and consent to be bound by the terms and conditions stated herein. In addition, the parties agree that (i) electronic approvals may serve as electronic signatures, and (ii) this Agreement may be executed in any number of counterparts, each of which when executed and delivered shall constitute a duplicate original, but all counterparts together shall constitute a single Agreement.

KENTUCKY DEPARTMENT OF AGRICULTURE

| Jay Hall, Executive Director Office of Agricultural Marketing | Date |
|---|--|
| GRANTEE | |
| Grantee (Business Name) | Grantee Authorized Signatory (Printed) |
| Grantee Authorized Signature | Date |
| EXAMINED: | |
| | |
| Nicole T. Liberto, Legal Counsel | |

Rev. 9-16-22

Required Affidavit for Bidders, Offerors and Contractors (KRS 45A.110 & 45A.115)

Affidavit Effective for One (1) Year from Date of Execution

Instructions: Pursuant to <u>KRS 45A.110</u> and <u>45A.115</u>, a bidder, offeror, or contractor ("Contractor") is required to submit a Required Affidavit for Bidders, Offerors, and Contractors to be awarded a contract, or for the renewal of a contract. An authorized representative of the contracting party must complete the attestation below, have the attestation notarized, and return the completed affidavit to the Commonwealth.

Attestation

As a duly authorized representative for the Contractor, I swear and affirm under penalty of perjury, that that the Contractor has not knowingly violated campaign finance laws of the Commonwealth of Kentucky and that the award of a contract will not violate any provision of the campaign finance laws of the Commonwealth. For purposes of this attestation, "Knowingly" means that the bidder or offeror is aware or should have been aware of the existence of a violation. The bidder or offer understands that the Commonwealth retains the right to request an updated affidavit at any time.

| Signature | Printed Name | |
|-------------------------|---------------------------|---|
| Title | Date | |
| Bidder or Offeror Name: | | |
| Address: | | |
| | | |
| Commonwealth of Kentuck | y Vendor Code (If known): | |
| Subscribed and sworn to | before me this,, | · |
| State of: | Notary: | |
| County of: | My Commission Expires: | |



Commonwealth of Kentucky

Office of the Controller 702 Capitol Ave, Room 484 Frankfort, KY 40601

(502) 564-9641 (877) 973-4357 Toll Free

https://emars.ky.gov

Fax (502) 564-5319

| *Legal Na | ame: | | | | | | |
|--|---|---|--|--------------|---|---------------------------------|---|
| Taxpayer ID Num | aharı | | | | SSN | EIN | |
| Vendor Num | nber: | | | | | | |
| *1099 Classification | | Individual | LLC filing as Corporation | | State Governmen | | Other |
| (Select (| One) | Sole Proprietor Partnership | LLC filing as Partnershi | • | Other Governmer | | |
| | | Corporation | LLC filing as Sole Propi Trust/Estate | letor | Nonresident Alier Foreign Business I | | |
| *Stı | reet: | | | | | | |
| * | City: | | * | State: | | *Zip Code: | |
| *Cor | ntact | | | | | | |
| *Ph | none: | | | Email: | | | |
| Select One: | | or Change Aut | horization for Elec Financial Institut Financial Institut | on or Acco | unt Change | | |
| Select One: Bank Name: | | New Enrollment | Financial Institut | ion or Acco | unt Change mation | | |
| Select One: Bank Name: | | New Enrollment | Financial Institut | ion or Accor | unt Change mation | | Zip Code: |
| Select One: Bank Name: Branch: | | New Enrollment | Financial Institut | ion or Accor | unt Change mation State: | | Zip Code: |
| Select One: Bank Name: Branch: City: | | New Enrollment | Financial Institut | ion or Accor | unt Change mation State: | | Zip Code: |
| Select One: Bank Name: Branch: City: Transit/ABA#: | | New Enrollment | Financial Institut | ion or Accor | unt Change mation State: | | Zip Code: |
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| Select One: Bank Name: Branch: City: Transit/ABA#: Account #: he undersigned, licated above and | Account Ty authorized to correctis authoriz | ype (select one): e the Commonweal: t any errors which neation is to remain in | Financial Institut Financial Institut Checking Account th of Kentucky to initiat nay occur from the transa | Save account | unt Change mation State: vings Account ting transactions to | o deposit pa inancial Instit | yments directly to the acc tution to post these transact |

Fields marked with and asterisk(*) are required. This cannot be processed without all the required fields.

C

Substitute IRS Form W-9 Certification

Under Penalties of perjury, I certify that:

- 1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
- 2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
- 3. I am a U.S. citizen or other U.S. Person (defined below)

Certification Instructions: You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN.

For additional information refer to the IRS website and go to Form W-9.

| *Date: |
|--------|
| |

The following information is provided to assist you in completing your EZ Vendor Registration Application.

Select either New or Modification. For Modifications, complete ONLY fields to be updated.

Section A - Vendor Information

Complete Section A for new vendor information or vendor modifications.

<u>Legal Name on W-9:</u> this is the Legal Name used for 1099 IRS filings. The Commonwealth of Kentucky verifies this information with the taxpayer ID number with the IRS. Vendor records will not be processed unless the Legal Name and TIN match. <u>1099 Classification:</u> Select the appropriate classification that describes your organization.

Section B - Enrollment or Change Authorization for Electronic Payments

In order add or update banking information on your vendor record, complete Section B. This section is optional.

NOTE: Email notification of payments will be sent to the email address listed on the form.

Section C - Substitute IRS Form W-9 Certification

- **Definition of a U.S. person.** for federal tax purposes, you are considered a U.S. person if you are:
 - An individual who is a U.S. citizen or a U.S. resident alien; A partnership, corporation, company or association created or organized in the United States or under the laws of the United States; An estate(other than a foreign estate); or A domestic trust(as defined in Regulations section 301.7701-7).
- As a part of the KY Vendor Registration, the Commonwealth of Kentucky may request a signed and dated copy of your W-9 form. This form will be kept as an attachment to your entity's account. Registration may not be considered complete unless the W-9 is received, and payments for goods or services may be impacted without a properly executed W-9. Please submit the completed W-9 to the Customer Resource Center if requested.

Submission

Fax or email the completed form to our Customer Resource Center (CRC) at (502)564-5319 or finance.crcgroup@ky.gov.

Please Note: This is the abbreviated version of the Kentucky Vendor Registration Application. If you have multiple addresses or contacts, please complete the other form.

Fields marked with and asterisk(*) are required. This cannot be processed without all the required fields.