

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)



MAINE DAIRY & NUTRITION COUNCIL

2015

Report to the
Joint Standing Committee
on
Agriculture, Conservation and
Forestry under the
Government Evaluation Act



Maine Dairy & Nutrition Council's
Report to the
Joint Standing Committee on Agriculture, Conservation and
Forestry under the
Government Evaluation Act

A. Authorizing State law and federal law

Maine Dairy and Nutrition Council

The Maine Dairy and Nutrition Council (MD&NC) represents the dairy industry's investment in nutrition education in the State of Maine. "In order that the optimal health of the citizens of the State may be achieved more fully, the Maine Dairy and Nutrition Council shall provide guidance in nutrition and nutrition education based on the concept of a balanced diet, including milk and its products in accordance with scientific recommendations, and protect the interests of all the people of the State by strengthening and preserving the dairy industry." Title 7, c. 604-A, §2999.

Originally established in 1949 under the name of the Maine Milk Advisory Committee, the agency was supervised by the Maine Development Commission and renamed the Maine Dairy Council two years later. In 1969 it was incorporated within the Department of Agriculture, and in 1975 renamed the Maine Dairy and Nutrition Council. In 1984 the Maine Dairy and Nutrition Council became a qualified program under the United States Department of Agriculture's Dairy Production Stabilization Act of 1983 (Dairy Act) (7 U.S.C. 4501), administered through the National Dairy Promotion and Research Board. The Dairy Act provides that dairy farmers can direct up to 10 cents per hundredweight (cwt.) of the assessment for contributions to qualified State or regional dairy product promotion, research, or nutrition education programs (QPs-Qualified Programs). Maine dairy checkoff fees by State statute and federal law credit ten cents per hundredweight (cwt.) of the dairy checkoff fee to the QP Maine Dairy Promotion Board, and the Maine Dairy Promotion Board transfers two cents of the ten cents to the QP Maine Dairy and Nutrition Council. The two cents is used by the Maine Dairy and Nutrition Council for nutrition education and research activities. Additionally, one and one half cents per cwt is assessed milk dealers for Maine Dairy and Nutrition Council activities, based on all milk produced or sold in Maine. In 1996 the Maine Dairy and Nutrition Council became a Public Instrumentality. 7 MRS A §2998-B

Organization of the Council

A.

The MD&NC and MDPB are both grassroots organizations. The Maine Dairy and Nutrition Council's board consists of five members; producer membership shall consist of four producer members (directors), however at least one producer member (director) should be appointed by an independent producer organization of Maine milk producers

and no more than two producers members (directors) may be appointed from the same marketing organization.

A dealer representative from one of the dairy companies with a processing plant located in Maine, is appointed by the Commissioner of Agriculture, Conservation and Forestry. Producer members (directors) are appointed to serve a four-year term and may be reappointed to serve one more consecutive four-year term. The processors' representative is not eligible for re-appointment to another consecutive four year term.

B. Programs

National Dairy Promotion and Research Board

The mission of the National Dairy Promotion and Research Board is to coordinate promotion and research programs that expand domestic and foreign markets for fluid milk and dairy products produced in the United States. The Dairy Board is responsible for administering the Dairy Promotion and Research Order (Dairy Order) developing plans and programs and approving budgets. Its dairy farmer board of directors oversees these plans and monitors the results of the programs.

United Dairy Industry Association

MD&NC is a member of the United Dairy Industry Association™ (UDIA), a federation of qualified state and regional promotion and dairy council programs throughout the country, UDIA is not a direct recipient of national checkoff funds. It extends its effectiveness through specific programming that is funded by its members. Maine Dairy & Nutrition Council has a Council member that serves as a member of UDIA House of Delegates.

Dairy Management Inc.™ (DMI)

Since January of 1995, the National Dairy Board and UDIA have conducted their marketing and education plans and programs through Dairy Management Inc. (DMI) and merged the staff of the National Dairy Board and UDIA to manage National Dairy Board programs as well as the **American Dairy Association®** and **National Dairy Council®**, **Innovation Center for U.S. Dairy** throughout the United States.

DMI's purpose is to facilitate the integration of producer promotion funds through a joint process of planning and program implementation so that the programs on the national, regional, state, and local levels work together to implement a market-driven plan that will invest resources in a strategic manner and provide the best possible economic advantage to dairy producers. The goals of DMI are to reduce administrative costs, to have a larger impact on the consumer, and to be better able to drive demand that will increase human consumption of milk and dairy products. The DMI board consists of board members from both National Dairy Board and the UDIA Board. The Joint National Dairy Board and UDIA Board Committee structure provides the framework for DMI program activities and as an affiliated unit, for the Maine Dairy and Nutrition Council contingent on the Maine Dairy and Nutrition Council board's approval.

National Dairy Council® is the nutrition education and nutrition research branch of the total dairy marketing effort. National Dairy Council's mission is "to bring to life the dairy community's vision of a healthy, joyful and sustainable world".

Our 2015 Program priority areas are:

Fluid Milk

Nutrition Affairs

Extend nutrition media strategy and breaking news locally in top 100 media markets. Outreach, to health professionals; Health professional journal ads, “3-Every-Day™ of Dairy a comprehensive science-based nutrition education program designed to provide clear guidance for consumers about how to meet dietary recommendations for dairy foods (low-fat and fat-free milk, yogurt and cheese). National Dairy Council’s Speakers Bureau and speakers’ sponsorships.

School Marketing-Fuel Up To Play60 programs, GenYOUth grants, classroom advisors, student ambassadors and School Wellness. Classroom education materials and working with key thought and influencer leaders.

Consumer Confidence-Consumer dairy confidence issues, publicity campaigns, dairy recipes and press releases, public service messages, dairy products and practices, nutritional values of dairy products in children's diets and physical activity,

Industry Image and Relations-Regional Planning forums, annual report, cooperatives, presentation of activities at cooperative and dairy producers and/or processors meetings, relationship building and dairy industry support and related activities

Dairy Optimization and Food Service- Increase student friendly sales and menu space for new strategic dairy product opportunities in the school environment.

For detail descriptions of programs, goals, implementation methods, timetable, strategies, target audience, and evaluation see of the Unified Marketing Plan Overview(attachment 1).

C. Organizational Structure, position count, job classifications, and organization flow chart

Organization of the Maine Dairy and Nutrition Council has been addressed under A. Organization of Council.

There are **four full time employees** employed by the Maine Milk Program (Maine Dairy Promotion Board/Maine Dairy and Nutrition Council)

One Executive Director
Two Program Managers
One Office Manager

Duties of employees are shared between the Maine Dairy and Nutrition Council and the Maine Dairy Promotion Board. Salaries are distributed equally between the two programs.

Job descriptions and organizational flow chart are attached. (attachments 2 and 3)

D. Compliance

The Maine Dairy and Nutrition Council complies with federal and state health and safety laws. A copy of our workers' compensation insurance declaration page is attached. (attachment 4) The Maine Dairy & Nutrition Council posts in a visible place in the office Maine Human Right information, Employee Assistance Program information, Bureau of Labor information and Workers' Compensation information. Employees are covered under the State's group health, dental and life insurance plans. Board members are covered while on Board business in their own vehicle under the organization's insurance policy up to the amount of the Maine Tort coverage.

E. Financial summary- Please see attached financial information for the Maine Dairy and Nutrition Council (attachments 5, 6, 7, 8, 9)

Income & Expenses Summary

USDA Financial report from form DA 15-R

Letter of Continued Qualification of State or Regional Dairy Product Promotion, Research or Nutrition Education Program

External Audit- General Purpose Financial Statements

Internal Financial Statement ending Dec 30, 2014

F. Regulatory Agenda- The Maine Dairy and Nutrition Council has no regulatory authority.

G. Area where organization has coordinated its effort with other organizations/ agencies in achieving program objectives.

The Maine Dairy and Nutrition Council cooperates and collaborates with the other affiliated Dairy Council units throughout the United States, as well as Dairy Management Inc, the Milk Processors Education Program; Maine School Food Service Association; Maine Osteopathic Association; Maine Academy of Family Physicians; Maine Nutrition Council; Maine Department of Education; Maine CDC; Maine Association of Health, Physical Education, Recreation and Dance; University of Maine Cooperative Extension Service; various radio and television stations with public service messaging, Maine milk processing companies, as well as other state and national organizations.

H. Constituencies served by the program.

The Maine Dairy and Nutrition Council and its staff make the Council's programs, materials, education materials, and research materials available to all Maine citizens. For the year 2015, our nationally designated target market is millennials and children up to the age of fourteen. Our nationally designated target market changes from year to year depending on priority areas, cooperation and collaboration with the Milk Processors Education Program, and farmer generated priority needs.

I. Efforts by the agency or program regarding the use of alternative delivery systems.

Maine Dairy and Nutrition Council has consolidated their nutrition education efforts by participating with National Dairy Council® and DMI in education efforts. Material research and development by the national organization afford a much higher quality and reduced cost factor than any single affiliated unit could develop and distribute on their own. The Maine Dairy and Nutrition Council has partnered with the Department of Education, Maine Nutrition Council, Cooperative Extension Service, Maine School Food Service Association in distributing our nutrition education materials and programs at events with a large number of our target audience present, thus saving the Maine Dairy and Nutrition Council program and staff time. The Maine Dairy and Nutrition Council uses a train the leader approach to programming, thus getting our nutrition messages to the greatest number of people with the most efficiency of staff time and cost. DMI, National Dairy Council, and the affiliated network of state and regional Dairy Councils are examples of utilizing an integrated approach to nutrition marketing, where the most cost efficient methods are used for program development and delivery.

J. Emerging issues for the agency or program in the coming years.

The Maine Dairy and Nutrition Council participates in the strategic plan for DMI™ and National Dairy Council® which plans and develops responses and materials focusing on emerging issues for the dairy industry. In the school food service market the issues of milk quality, packaging and choices are of major concern, as well as competitive beverages and the inclusion of other dairy products into school meals. The calcium crisis in the American diet, osteoporosis and calcium's and vitamin D's role in interventions, milk's other nutrients roles in preventive health, ingredient marketing and functional foods are of the up most concern. Research on milk's nutraceuticals and ingredient marketing are arenas of emerging issues. The whole arena of dairy innovation to met unmet consumer demand is a driving force as well as sustainability.

DMI™, National Dairy Council® and its affiliated units are constantly thinking and planning not just a year ahead but five years, to be as prepared as possible for events impacting the dairy industry, nationally, world-wide as well as in Maine.

K. Information specifically requested by the Committee.

The Committee has not requested any specific information from the Council, other that addressed in this document.

L. *Comparison of any related federal laws and regulations to state laws governing the agency or program and the rules implemented by the agency or program.*

The Council was created in 1949 in Maine statutes as the Dairy Council Committee, Title 7 Chapter 214. The federal dairy checkoff law was created by the Dairy Production Stabilization Act of 1983. However since our Maine dairy law was in place prior to 1983 when the federal dairy checkoff law came into being, we are allowed to keep ten cents of the fifteen cents required by the 1983 dairy checkoff assessment in the State of Maine for local dairy promotion activities, under the Maine Dairy Promotion Board statutes Title 7 Chapter 604 §2993. The Maine Dairy Promotion Board credits two cents of the ten cents dairy assessment to the Maine Dairy & Nutrition Council. Milk dealers pay the Maine Dairy & Nutrition Council a cent and one-half per hundredweight of milk purchased from producers and sold in Maine under Title 7 Chapter 604A §2999A.

M. *Agency policies for collecting, managing and using personal information over the internet and non-electronically, information on the agency's implementation of information technologies and an evaluation of the agency's adherence to the fair information practice principles of notice, choice, access, integrity and enforcement;*

The Maine Dairy & Nutrition Council does not collect, manage, or use personal information over the internet. Collection of any personal information is done with the individual's knowledge and consent and only in conjunction with its use for required employment records or benefits. Personal information collected such as employment eligibility verification, designation of beneficiary and letters of commendation, or other personal information collected in the administration of personnel policies are with the employee's knowledge, awareness of why the information is being collected, are considered confidential and accessible only to the specific employee or a confidential employee. Personal information is not disclosed, made available or used other than for the purposes mentioned above and only with the employees consent or by the authority of law.

Information regarding fair hiring practices, processes for dealing with harassment, unfair labor practices, workers right to know, employment termination, and family leave policies are posted on a bulletin board in central location in highly visible place in our office. (Addressed under *D. Compliance*)

The Maine Dairy & Nutrition Council's information technology system is password protected with each computer networked within our office and the network is also password protected. The network and each individual computer are equipped with spyware and anti-virus software. The whole network is backed up daily by our network server. We also have an emergency backup in case of power failures as the building has a backup generator.

N. *A list of reports, applications and other similar paperwork required to be filled with the agency by the public*

The Maine Dairy & Nutrition Council has no public filing requirements.

O. *A list of reports required by the Legislature to be prepared for submission by the agency or independent agency*

The Maine Dairy & Nutrition Council's *Rules and Regulations* document require submission of the organization's annual audit to the Maine Legislature, which has been done annually.

Under Title 3, Chapter 35 §956 "Each agency and independent agency shall prepare and submit to the Legislature through the committee of jurisdiction a program evaluation report by a date specified by the committee" As an organization created by state statutes the Maine Dairy & Nutrition Council is submitting a report to the Joint Standing Committee on Agriculture, Conservation and Forestry.

P. *A copy of the single-page list of organizational units and programs within each organizational unit required pursuant to section 955 subsection 1 placed at the front of the report.*

An index of the Unified Marketing Plan provides a listing of the programs.

Q. *Identification of provisions contained in the agency's or independent agency's enabling or authorizing statutes that may require legislative review to determine the necessity of amendment to align the statutes with federal law, other state law or decisions of the United States Supreme Court or the Supreme Judicial Court.*

At this time the Maine Dairy & Nutrition Council statutes do not necessitate amendment.

Listing of Programs of the Unified Marketing Plan

Page 1- United States Dairy Export Council; Exports, Ingredients and Globalization- Very limited tactical activities in Maine by Maine Dairy Promotion Board; Maine is not a dairy export state.

Page 4- Fluid Milk- Tactical activities implemented in Maine by Maine Dairy Promotion Board and Maine Dairy & Nutrition Council.

Page 6- Industry-Wide Consumer Confidence-The majority of tactical activities implemented in Maine by Maine Dairy Promotion Board.

Page 8- Marketplace Partnerships-Tactical activities implemented in Maine by the Maine Dairy Promotion Board.

Page 10-Schools and Community Engagement-The majority of tactical activities implemented in Maine by Maine Dairy & Nutrition Council.

Page 12-Sustainability-Tactical activities implemented in Maine by Maine Dairy Promotion Board.

Page 15-Worldwide Nutrition and Innovation Leadership-Tactical activities are implemented in Maine by Maine Dairy & Nutrition Council

Attachments 1



Plan Narrative for Export Market Growth

U.S. Dairy Export Council: Exports, Ingredients and Globalization

Overview

Current environment: The United States occupies a unique role in global dairy trade. Among its many notable characteristics and assets is its ability to provide a source of new milk that is desired by global brands to serve a burgeoning international middle class. Yet, its market share, practices and policies have often reflected a time when the U.S. dairy industry was more isolated with smaller scale production, and simpler consumer and processing needs.

For a quarter century, U.S. dairy suppliers have partnered with DMI and the checkoff through the U.S. Dairy Export Council (USDEC) to service international demand for U.S. dairy products globally and ingredients domestically. USDEC programs have succeeded in identifying industry vulnerabilities and opportunities, anticipating the paths to address them, and delivering services that accelerate the industry's ability to benefit from a globalized environment. Exports now represent nearly 15 percent of U.S. milk production compared with less than six percent a decade ago.

Future opportunity: Despite cyclical market challenges that could well persist into 2016, a broader range of U.S. dairy exporters are staking out a long-term, strong and sustainable position as globally consistent suppliers.

With an increasing number of trade and regulatory threats, and formidable competition from existing and emerging suppliers, USDEC will continue to work with U.S. dairy exporters to achieve this vision and pursue opportunities for growth that benefit its member-exporters and dairy-farmer funders.

Purpose

Help develop a U.S. dairy industry that grows its global market share by efficiently and consistently meeting customer needs.

Benefit to dairy farmers: USDEC services increase and defend near- and medium-term global sales of U.S. ingredients and dairy product exports, while improving the longer-term competitiveness of U.S. supplies. These programs also help the industry identify the many political and economic factors that drive global trade and maximize members' ability to persevere through the market. USDEC leverages and amplifies its dairy farmer investment through the strategic and tactical collaboration of its diverse membership base of 122 processors, trading companies and affiliated supporters.

Since DMI founded it in 1995, USDEC and its committed member-suppliers have helped grow exports to an average annual growth of 9 percent per year by value, and 8 percent per year by volume. Even with a difficult market environment in 2015, export sales on a milk equivalent basis will increase about 12 billion pounds vs. 2009.

In addition, USDEC's partnership with industry and USDA's Foreign Agricultural Service generates additional, direct funding of about \$7 million annually with tens of millions more in leveraged activity.

Goals

- Help U.S. suppliers enter and remain in international markets.
- Provide tools for U.S. dairy suppliers to use to supplement their own export and domestic (i.e. ingredient only) sales efforts.
- Develop and defend the international integrity and reputation of U.S. dairy products.

Strategies

- Develop and maintain favorable regulatory and trade policies through trade policy and market access programs.
 - Policy examples include the anticipated implementation of the Trans-Pacific Partnership in 2016 and negotiations of the Transatlantic Trade and Investment Partnership, as well as achievement of science-based, globally-accepted food safety standards, especially in China and other key export markets.
- Deliver services to assist member company efforts.
 - USDEC will continue to provide market research for U.S. suppliers, and consultative marketing services, market entry and promotion assistance to spur customer interest in the ever-expanding U.S. dairy product portfolio.
- Develop the United States as a globally consistent supplier.
 - Through the globalization program of the Innovation Center for U.S. Dairy, USDEC and industry leaders will continue work to enhance risk management tools to mitigate volatility and customer-centric programs to improve traceability, and product and processing standards.
- Protect industry integrity and reputation.
 - U.S. Dairy (primarily business-to-business) image marketing and issues and crisis preparedness, particularly in China and Asia for the latter
- Maintain USDEC as a viable membership organization
 - Dynamic membership meetings and information exchanges with actionable insights that maintain, grow and activate the industry in support of exports.
- Evaluate and report performance regularly to stakeholders
 - Third-party evaluations of key programs and activities to ensure that USDEC programs are providing the maximum benefit to members

Key Changes from Prior Year

- **Market Access and Documentation:** Refresh and continue to expand USDEC's U.S. Dairy Exporter Guide to include greater information about information about evolving import regulations and requirements, as well as steady expansion of "Testopedia" to provide more information on test methods used by importing countries.
- **International Representation:** Extend training and shifting of international office staff resources to anticipate and resolve market access issues
- **Product and Market Research:** Provide actionable Insights, including application work, with a continued growing focus on cheese, ingredients for cheese making and emerging volume markets for innovative ingredients and fresh.
- **Image Marketing:** Greater direct amplification of "Why U.S. Dairy" global positioning platform to international customers (and indirectly through member messaging) to differentiate the industry's qualities as a preferred supplier, through an expanded digital footprint via additional microsites in Chinese, Korean and Japanese.
- **Member Communications:** Based on empirical evaluations, improve delivery and format of member communications to ensure members rapidly receive actionable insights critical to their commercial success.

Plan Narrative for Fluid Milk

Overview

Current environment: Fluid milk consumption and sales continue to drop, and fundamental change in the category is needed to stem this decades-long decline. A number of significant factors negatively impact sales – including the current state of milk packaging, innovation, marketing/brands, out-of-home availability, and an aging plant infrastructure at the processing end of the industry.

As a result, amidst the more than 60,000 beverage choices available today, milk has not kept up its relevance to consumers' lives.

Future opportunity: Because of the fluid milk category's critical importance to dairy farmers, DMI is working with a broad group of industry companies to execute a comprehensive revitalization strategy that will change fluid milk forever. This strategy aims to reinvent the milk experience for consumers and, in doing so, halt sales declines and begin to stimulate growth.

Purpose

Be a catalyst for consumer-relevant, growing (in overall sales and volume) and profitable milk and milk-based beverage segments. These milk-based segments will effectively compete in the broader beverage category with relevant brands and meaningful innovation.

Benefit to dairy farmers: Creating growing, profitable, consumer-relevant milk and milk-based beverage segments will help ensure is a home for the milk farmers produce (especially Class I). Further, efforts will lead to modern and innovative products that will continue to compete in the important beverage category and meet consumer needs.

Goals

- Increase sales.
- Create a healthy and sustainable business model for milk and milk-based beverages.

Strategies

- Incent infrastructure investment in modern plants and processing (e.g., ESL and UHT Aseptic) to support consumer-focused innovation.
 - This includes working with partners committed to this investment to ensure a development of a new business model and pipeline of innovation (products, packages, and communications).

- Stimulate beverage companies (outside of the traditional fluid milk industry) to explore opportunities to invest in, develop, and commercialize milk and milk-based beverage products.
- Enhance the consumer perception of milk and milk-based beverages via consumer confidence communications efforts. This includes:
 - Validating and promoting new consumer benefits, addressing perceived negatives, and activating credible third parties to address key issues and barriers (including lactose intolerance).
 - Working with partners and empowering “brands to be brands” by providing consumer confidence messages, best practices, training, and key consumer insights.
- Deliver enabling technology and insights that uncover and support the growth of fluid milk and milk-based beverages.
 - This includes improving fluid milk quality (e.g., UHT, aseptic, ESL processing), driving lactose-free product adoption in marketplace (including new science where needed), and understanding opportunities, barriers and consumer needs for key growth targets (e.g., Boomers, Millennials, others).
- Expand existing and create new distribution channels.
 - Continue to build out-of-home availability and relevance, especially at foodservice and schools.
 - Explore and educate industry on emerging channels (e.g., online grocery).
 - Enlist partners to test fluid milk opportunities [e.g., Fuel Up to Play 60 milk in retail and at schools, foodservice pilots (e.g. lunch menu expansion)].
 - Pursue other key growth channel opportunities (e.g., food security/hunger, export, universities).

Key Changes from Prior Year

Based on learnings and experience, this plan represents:

- **A clearer focus:** The center of the “bullseye” is to work with partners willing to invest in infrastructure.
- **More specificity:** Strategies further detailed in “other strategies,” which are based on partner and industry needs, to revitalize the fluid milk and milk-based beverage segments.

Plan Narrative for Industry-Wide Consumer Confidence

Overview

Current environment: Today's consumers are increasingly interested not only in the foods they consume, but also in where that food comes from and how it is produced. Further, as social media is quickly becoming the primary source of information, consumers increasingly trust and look for information from people who are "just like them" with shared interests and values. Traditional means of communication alone are no longer sufficient to ensure that dairy effectively engages with its customers.

Future opportunity: Dairy has a great story to share and relationships with critical stakeholders to activate and further amplify dairy's voice. Through Industry-Wide Consumer Confidence efforts, we will inspire and lead the entire dairy value chain to embrace the new era of consumer engagement. We will develop compelling and relevant content, based on consumer and product insights, that will spark conversations and activate others to share our vision that dairy is a primary driver of "where good comes from."

Purpose

People trust dairy as essential to their lives. This means that consumers view dairy as an indispensable part of their lives, and are advocates for farmers, the products and the industry.

Benefit to dairy farmers: Connecting consumers to where their food comes and strengthening their trust in dairy products, farmers and companies is essential for growing sales in today's market and in protecting the industry's freedom to operate.

Goals

- **Listen** – Understand consumer beliefs and behavior to ensure that dairy engages in conversations and topics that are relevant to consumers
- **Align** – Engage the broader industry around consumer-relevant, compelling content that is supported through stories, proof points and other persuasive information
- **Activate** – Inspire industry, thought leaders and consumers to communicate on behalf of dairy and embrace the "where good comes from" dairy message

Strategies

- Engage Stakeholders
 - Foster co-ownership of industry-wide consumer confidence throughout the entire dairy value chain, including dairy farmers, companies, suppliers, health professionals and other thought leaders, "mommy" bloggers, culinary leaders, and third-party experts.

- Expand Dairy’s Digital Hub as a way for advocates to gather compelling content, share success stories and engage others.
- Integrate consumer confidence into other key checkoff partnerships and programs, specifically Fuel Up to Play 60, GENYOUth Foundation and community engagement efforts, marketplace partners and fluid milk partners, government MOU partners, and National Dairy Council.
- Participate in key farmer, health and wellness partner and other industry meetings.
- Create Awareness and Inspire Advocates
 - Earn a leadership role in conversations happening around consumer-relevant priorities.
 - Create a “where good comes from/dairygood” publishing platform through which we and stakeholders can identify, contribute and distribute compelling content throughout social media properties, websites and other vehicles.
 - Special content opportunities include ongoing efforts to support *The Dairy Good Cookbook*, schools and community engagement efforts, dairy’s role in a more sustainable food system and NDC-led health and wellness efforts.
 - Conduct ongoing social and traditional media monitoring and analysis to further capitalize on planned and real-time content.
- Build and Maintain Credibility
 - Ensure transparency, authenticity and consistency over time.
 - Conduct communications and other training programs with farmers, industry and other stakeholders.
 - Establish branded content partnerships to extend reach and influence.
 - Support industry-wide initiatives to advance proof points that support Consumer Confidence (e.g., National Dairy FARM program).
 - Develop and implement industry-wide issues management and crisis preparedness efforts, including regional industry and staff crisis drills.
 - Incorporate consumer confidence approach into thought leader communications (see Worldwide Nutrition and Innovation Leadership priority)

Key Changes from Prior Year

- **Continued integration and coordination:** As the checkoff enters its fourth year of Consumer Confidence communications and planning, DMI continues to integrate its entire communications function and focus its activities on those areas that are compelling, tangible and contemporary with consumers and other critical stakeholders.

Plan Narrative for Marketplace Partnerships

Overview

Current environment: Nearly half of consumer food dollars are spent “away from home,” and this number has doubled over the last 60 years. Many households have all adults working outside the home, and Americans have less time to prepare food – making restaurants a popular option for dine-in or carry out.

Since 2009, DMI has worked closely with some of the most influential foodservice chains in the world to ensure that dairy products are featured throughout partners’ innovative menus and marketing programs. The checkoff invests in a few, carefully selected partners who have a catalytic impact in the marketplace, and are committed to work with the dairy industry to achieve mutually beneficial goals. The partnerships have driven significant incremental dairy sales and have supported consumer trust in dairy.

These partners also have led to marketing and product innovation. DMI’s focus is primarily on foodservice strategic partnerships because the Quick Service Restaurant Channel is responsible for 79 percent of all consumer traffic in foodservice. These foodservice partners also look to aggressively grow internationally, and thus offer a venue to deliver export growth for U.S. dairy.

In 2013 we entered into a partnership with the Quaker Oats Company - our first formal consumer packaged goods partnership - which also has supported consumer trust and sales.

Future opportunity: DMI’s partners have significant consumer reach. McDonald’s alone serves 27 million people per day in the United States. The checkoff team will lead partner collaboration on key dairy industry consumer confidence priorities, including dairy’s role in the diet, food safety, animal care and sustainability.

Further, the team will optimize communication opportunities for mutual benefit by activating partners to amplify DMI assets, leveraging and amplifying partner assets, and providing counsel to partners on building consumer confidence messages into their communication strategies and tactics.

We also will collaborate with USDEC to begin to lay out a plan for expanding our successful domestic partnerships by following these partners into global markets.

Purpose

We form multiyear partnerships with strategically selected marketplace leaders in the food industry to successfully drive sales and trust through innovation and consumer confidence in dairy.

Benefit to dairy farmers: Dairy is front and center with partners due to DMI's strategic positioning and smart resource investment with them. By forming several long-term, trusting relationships with successful and influential industry food providers, we have driven incremental dairy sales and innovation. DMI reaches deeply into these partner organizations and several checkoff employees lead significant projects at their sites, an approach that has not been replicated by other food categories. DMI will continue this approach and take it to an even higher level of success and influence over the next several years.

Goals

- Drive dairy sales.
- Drive innovation in dairy.
- Engage partners in consumer confidence.

Strategies

- Accelerate new dairy based product and marketing innovation.
- Activate partner resources to drive consumer confidence in dairy.

Key Changes from Prior Year

- **Deepen the connection:** Strengthen coordination and integration between DMI functional experts and partner cross-functional teams.
- **Increase focus on consumer confidence:** Build relationships among DMI and partner communications staffs, and specific activities to activate consumer messaging as part of annual partner business plans.
- **Expansion:** Build and expand the successful domestic foodservice model to international markets to increase dairy exports.

Plan Narrative for Schools and Community Engagement

Overview

Current environment: In 2015, National Dairy Council celebrated its 100th year of farmer commitment to the health and wellness of our nations' youth. After completing the fifth full school year nationally with the checkoff created Fuel Up To Play 60 (FUTP 60) program, DMI continues to have more than 73,000 schools enrolled in the program, reaching more than 38 million students – making FUTP 60 one of the most influential and successful school health and wellness programs in the country.

More importantly, national and local checkoff staff have proven the program's impact on changing school environments, engaging adults, and changing youth health and wellness behavior in schools. In fact more than 13 million students are eating healthier because of the program, and more than 2 million more students are eating breakfast at school each day.

Future Opportunity: The checkoff needs to leverage its credibility from the FUTP 60 program, and our support among health professionals and thought leader advocates, as a platform to reach out from our strong position among youth in schools to the surrounding community.

Our vision is to build lifelong consumer trust, loyalty and advocacy, encourage support and co-investment from community stakeholders, establish belief in dairy nutrition and sustainability among youth, and tell our dairy farm family story as good stewards of our dairy products, our land, and of the health and wellness of our communities.

Purpose

To maintain dairy farmers' long-standing commitment to youth and schools and build upon this base to create a larger platform for community health and stewardship.

Benefit to dairy farmers:

- Enhance dairy's position in nutrition guidance to maintain our position on the school feeding line where fluid milk must be offered (and taken more than 80 percent of the time) with each meal served.
- Increase access to dairy in schools by continually improving the total experience and expand the presence of milk, cheese and yogurt across all eating occasions.
 - Increase school breakfast participation to leverage the learning connection.
- Build loyalty among youth by communicating a broader story of where their food comes from and why they should consume dairy.
- Strengthen dairy's place in the community as good stewards and responsible citizens to maintain and strengthen consumer confidence.
- Broaden non-checkoff support for programs to achieve deeper activation and sustainability.

Goals

- Optimize healthful dairy product availability and experience at school, and within the community.
- Establish lifelong dairy values in...
 - Health and wellness
 - Responsible, sustainable food production
- Support positive positioning for dairy in nutrition guidance.

Strategies

- Convene and lead a community-based platform.
- Engage, empower and impact youth – in schools and beyond.
- Recruit and engage adults in and around the school to deepen program activation.
- Maintain our gatekeeper role in youth wellness and school access.
- Leverage third party credibility for dairy.
- Maximize dairy products, taste, access and occasions.
- Raise funds and resources from non-check-off sources to sustain and extend activities.

Key Changes from Prior Year

- **Deeper activation of FUTP 60 and expansion of eating occasions:** National and local dairy checkoff organizations have focused efforts for the last five-plus years to establish FUTP 60 within the school building; staff will continue to push for deeper activation of the program activities in enrolled schools, including increased participation in school breakfast and expansion to summer feeding and supper.
- **Stakeholder engagement and community support:** The most significant changes over the next five years will be expanding the youth wellness platform to enlist more stakeholders and community support. This includes efforts to convene and lead engagement in the effort to empower youth at schools and beyond where appropriate; and broaden the checkoff's health and wellness messaging to include responsible and sustainable food production and helping to address hunger that will help connect schools and students to agriculture and dairy farming.

Plan Narrative for Sustainability

Overview

Current environment: Innovations and farmer ingenuity over the last century have led to significant efficiencies and the ability to provide more milk using fewer resources. Compared to 1944, producing a gallon of milk requires 90 percent less land and 65 percent less water, and has a 63 percent lower carbon footprint. These efficiencies are due to improvements in dairy cow nutrition, comfort, health, and breeding.

But, the challenges we face today related to our food system are complex and inter-connected, requiring “whole-system thinking” and increased communication and transparency of farmers’ commitment to stewardship and sustainability. Increasingly consumers, customers, government, and stakeholders are expecting the dairy industry to demonstrate progress and commitment to sustainably meeting food demands within a resource-constrained food system.

Dairy farmers, through the Innovation Center for U.S. Dairy, have led a credible and collaborative process to address these demands and opportunities, including working with the 114 companies through a collaborative approach as well as with Field to Market, Global Dairy Agenda for Action and the Dairy Sustainability Framework, the World Wildlife Fund, Ensave, and USDA in strategic partnerships.

Science-based resources developed by and for the dairy industry help the industry identify benchmark and communicate continuous improvement to build trust with customers and consumers that dairy products are responsibly produced.

Future opportunity: The need for industries to benchmark and demonstrate continuous improvement and commitment to sustainability will only continue to grow:

- As rising global food demand puts pressure on yields, price, and increasingly-scarce land and water resources, there will be more demands by stakeholders on what the dairy industry is doing. (The 2015 drought in California is a good foreshadowing of likely future media and stakeholder concerns.)
- Major brands and retailers, including Walmart, McDonald’s, Starbucks, Kroger, and General Mills, are establishing sustainable supply chain goals and initiatives.
- Alignment of what sustainable food systems encompass, including environmentally sound, economically viable and socially responsible food production puts focus on additional areas of concern, beyond just the environment, for consumers including animal care, antibiotics, hormones, and other production practices.

Dairy is well-positioned to meet these demands, having established science-based tools and its role as a credible leader in food and agriculture sustainability.

Purpose

Our purpose is to drive trust and sales in dairy through improved sustainability using best available science, information and actions.

Goal

Advance dairy's long-standing commitment to sustainability through research, resources and continuous improvement that deliver triple bottom line results - economic, environmental and societal.

Strategies

Our primary strategy is to develop and facilitate scientific knowledge, resources, and relationships to catalyze continuous improvement in sustainability across the dairy value chain. The secondary strategies and objectives to accomplish this include:

- Develop and interpret scientific knowledge and insights for informed business decisions and enhanced consumer trust.
 - Gather and organize information and knowledge on sustainability.
 - Analyze the information and interpret it to gain knowledge and insights.
 - Disseminate the knowledge and insights to internal and external partners.
 - Improve scientific dialogue and collaboration across the dairy supply chain.
- Facilitate the development of tools and resources to catalyze economic, environmental and social improvements across the dairy value chain.
 - Coordinate and support industry-driven efforts to develop a common definition for sustainable dairy in the U.S. market.
 - Equip the dairy value chain with tools and resources to set baselines of environmental impacts, identify improvement opportunities and enable continuous improvement.
 - Equip the dairy value chain with tools and resources to report progress and meet the expectations of customers and consumers.
- Educate and empower key stakeholders, creating advocates and support for sustainability programs, throughout the dairy value chain and beyond.
 - Convene member organizations to share knowledge, collaborate on issues affecting the industry at large, and accelerate progress towards our common sustainability goals.
 - Engage key partners to develop collaborative strategies to support industry priorities.
 - Integrate and promote sustainability initiatives, both internally and externally.

Key Changes from Prior Year

- **Advance scientific knowledge and insights:** Share scientific knowledge and insights to focus on additional research to support Sustainable Nutrition communications, and increase integration and coordination with Nutrition and Product Research on a coordinated research agenda for USDA.

- **Support industry action:** Focus our role as a catalyst and facilitator for industry action through integration and collaboration with other sustainability initiatives, such as Field to Market, the Dairy Sustainability Framework and the US Roundtable for Sustainable Beef; and support the harmonization and alignment of sustainability indicators and metrics across the dairy industry and broader agriculture supply chain.
- **Engage the marketplace:** Marketplace brands and retailers will be engaged more broadly, and include coordination with National Milk Producers Federation on animal care outreach and other sustainability topics for a more comprehensive outreach strategy and approach.

Plan Narrative for Worldwide Nutrition and Innovation Leadership

Overview

Current environment: Dairy foods are among nature's most perfect foods, providing great taste, nutritional value and important health benefits. However, this view is not held by all. From proponents of plant-based diets to health professionals concerned about obesity to consumers with changing lifestyles and needs, there are many reasons the dairy industry needs to be proactive in addressing health and wellbeing trends.

This is critical to dairy foods maintaining relevance with consumers and their place in dietary recommendations. Dairy farmers have long been dedicated to investing in sound science that triggers innovation and establishes dairy's importance in the diet. Through the National Dairy Council, dairy farmers also have established relationships with leading health and nutrition thought leaders helping those leaders recognize and embrace dairy's benefits.

In addition, industry partnerships, both domestically and globally, have encouraged alignment on key issues, increased pre-competitive R&D investment in dairy, and faster activation of new knowledge and technologies. These efforts have earned dairy farmers recognition as being leaders in research and important public-private partnerships.

Future opportunity: Meeting the growing challenges and opportunities for building sales and trust in dairy will require continued investment in:

- Product innovation that fuels future dairy growth through new products and ingredients with enhanced functionality.
- New nutrition science that describes why dairy consumption is essential for health and well-being and meeting today's health challenges.
- Building trust among influential scientists, health professionals and thought leaders.
- In the face of reduced government investment in research and land-grant institutions, efforts will be required to assure development of a future workforce of dairy scientists and leaders.

Purpose

The purpose of the worldwide nutrition and innovation leadership priority is to ensure that all people consume dairy because it's liked, trusted and the benefits of consumption are indispensable to health and well-being.

Benefit to dairy farmers: Investment in research and partnerships elevates health positioning of dairy, helps protect dairy in dietary recommendations, identifies new consumer benefits that catalyze innovation for new dairy-based foods and beverages, improves the quality and performance of milk and milk ingredients, drives exports, and increases the use of dairy co-products that create more opportunities to deliver consumer relevant, good tasting and safe products.

Goal

Strengthen dairy's marketplace position and recognized value in a healthy diet.

Strategies

- Invest in research partnerships that catalyze health positioning and innovation for dairy.
 - Build scientific evidence for the benefits of three or more servings of dairy in recommended dietary patterns for improving public health.
 - Build scientific evidence for dairy as an essential nutritional component of sustainable food systems.
 - Accelerate milk and dairy beverage innovation and quality improvement.
- Strengthen the needed infrastructure to assure future dairy science leadership and workforce.
 - Support, leverage and enhance Dairy Center research, application and training programs so industry will be better prepared to innovate and address unmet consumer demands for dairy.
 - Work with the Dairy Centers and other university-based agriculture science programs to provide a viable education and training ground for the next generation work force.
- Convene and activate industry and others to accelerate core research and education objectives.
 - Develop the knowledge base that will help the U.S. milk powder industry consistently meet global customer specifications.
 - Develop value-added ingredients from milk and milk fractions, and improve the functionality of milk protein ingredients.
 - Mitigate risk of food safety incidents through training, targeted research and activation of technical insights through industry partners.
- Engage key third parties and thought leaders to translate, align and activate science with emotionally-compelling support for dairy.
 - Continue targeted partnerships with leading health and wellness partners, and integrate consumer confidence strategies within the nutrition affairs environment.
 - Share expertise about the nutrition environment (including Dietary Guidelines for Americans/nutrition guidance) and science-based resources with key stakeholders.

Key Changes from Prior Year

- **Increase understanding of dietary patterns:** Nutrition research will place greater emphasis on understanding the role for dairy in healthy dietary patterns, particularly the Mediterranean dietary pattern.
- **Build research pipeline:** Further build a pipeline of research that establishes dairy's nutritional value relative to environmental impact to grow advocacy for the inclusion of dairy in sustainable food systems.
- **Dietary guidance:** Place a nutrition research emphasis on birth to 2 age-group, as this will become a primary consideration for 2020 dietary guidelines.

- **Cheese and dairy ingredient research:** Product research will continue research that supports the growth in cheese and high quality dairy ingredients for export.
- **Support milk and dairy beverage innovation:** Product research will place greater emphasis on research that accelerates milk and dairy beverage innovation and fluid milk quality improvement.
- **Advance food safety research:** Increase product research and training efforts focused on food safety, particularly to mitigate listeria risks, in partnership with the Innovation Center food safety committee.

Attachments 2&3

Organizational Chart



MAINE DAIRY & NUTRITION COUNCIL

Board of Directors

(Four dairy farmers plus a Maine fluid milk processors' representative)

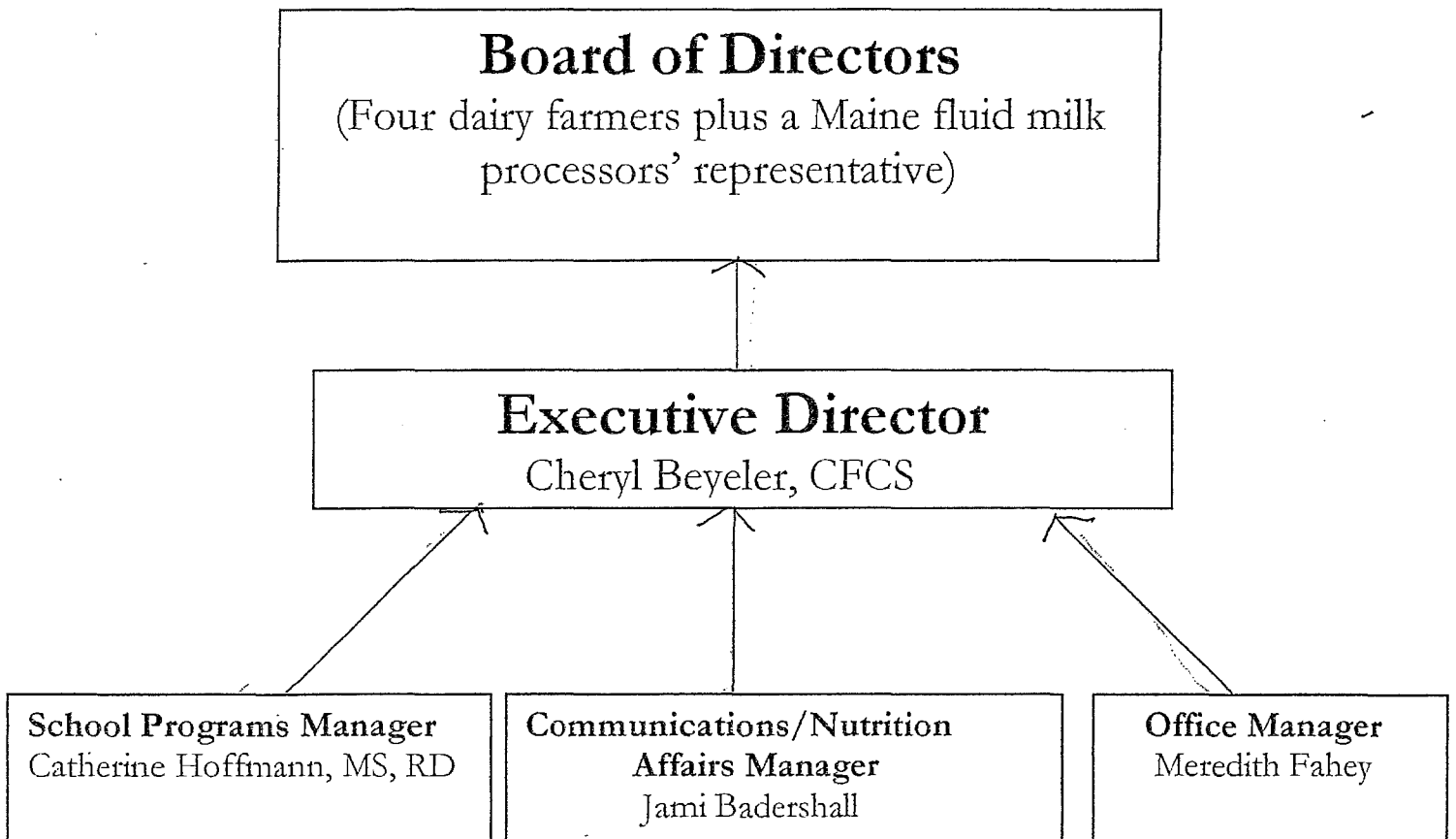
Executive Director

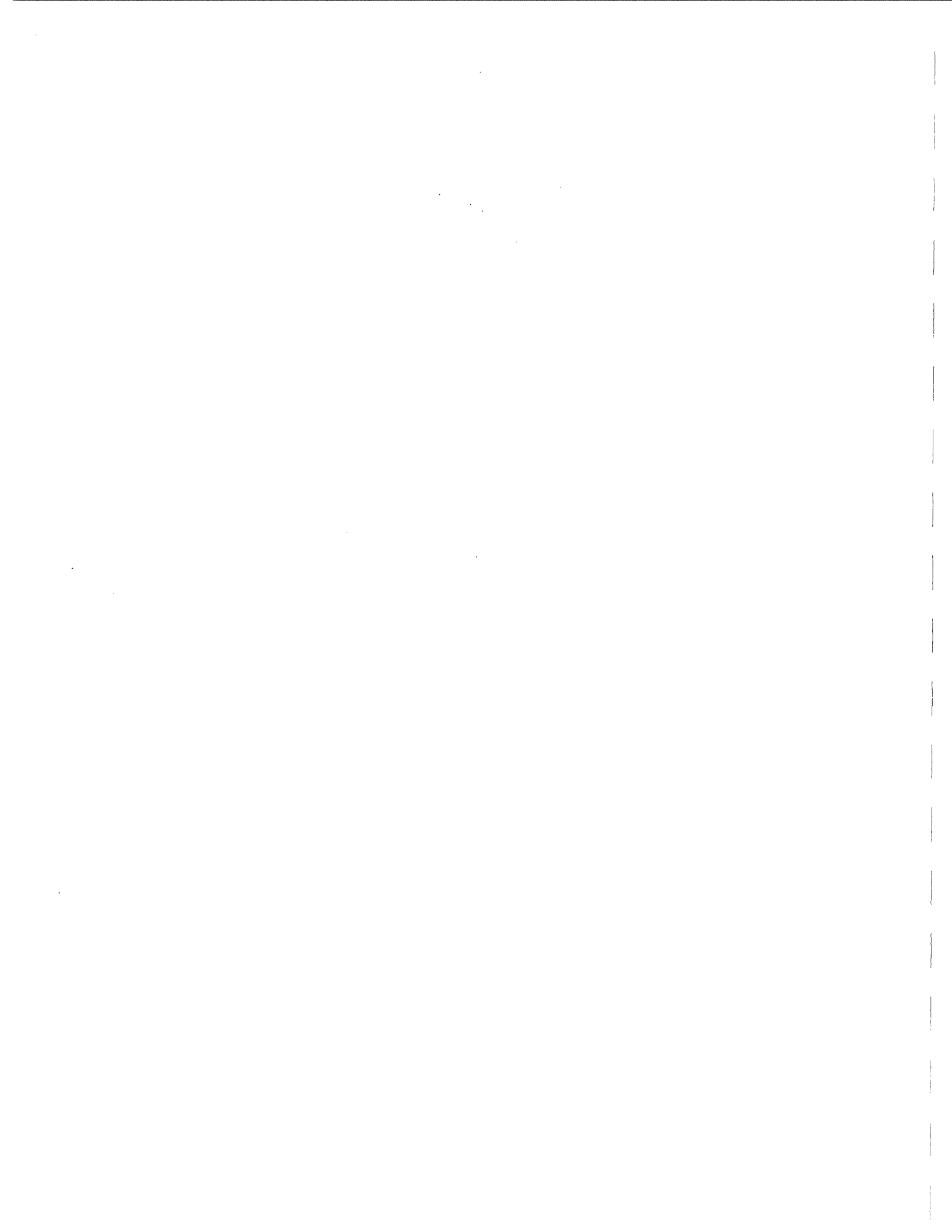
Cheryl Beyeler, CFCS

School Programs Manager
Catherine Hoffmann, MS, RD

**Communications/Nutrition
Affairs Manager**
Jami Badershall

Office Manager
Meredith Fahey





MAINE DAIRY PROMOTION BOARD/ MAINE DAIRY & NUTRITION COUNCIL

EXECUTIVE DIRECTOR

Areas of Responsibilities:

Chief administrative officer, business manager, personnel manager, BOD relations, 3-Every Day of Dairy, multi-media messaging, industry relations, issues management, crisis communications (industry component), retail programs, local programs, DMI relations, liaison to other S/Rs, other commodity promotion organizations, state and federal government.

Determines and sets priorities for the Unified Marketing Plan (UMP) execution in Maine, and establishes program priorities for professional staff.

Executes the Board of Directors'(BODs') policies and programs subject to their oversight.

Manages BOD meetings to report on execution of the plan of work, local work, prepares annual budget, and conducts BOD business.

As time and budget permit attends Dairy Management Inc. (DMI) Senior Management/Senior Leaders Team meetings for planning and program review, may serve on DMI priority committees

Develops and executes local plan of work, implementing the Unified Marketing Plan to achieve agreed upon goals per membership agreement.

Evaluates local programs to measure effectiveness in marketing dairy products in Maine compatible with the Unified Marketing Plan, and determines local implementation and/ or termination of program(s).

Acts as assistant treasurer responsible for bookkeeping, accounting, budgets, fiscal controls, collection of fees, investment opportunities, and grant applications, financial reports required by BOD, USDA, and DMI.

Acts as personnel manager, developing and administering BOD approved personnel policies to meet requirements of state and federal laws, evaluates employee benefits packages for recommendations to BOD, completes salary survey and recommends compensation schedule to BOD, hires, trains, supervises, evaluates staff. Terminates employment of staff if needed.

Consults with attorney when necessary to interpret applicable dairy industry legislation, laws, amending personnel policies, and organization rules and regulations as needed with BOD oversight.

Represents organizations for contractual services or letters of agreement for contracted services such as audits, media programs, office suite lease, computer training services and other services as needed.

Maintain positive relationships and communications with dairy producers, cooperatives and processors through one-to-one contacts, trade shows, press releases, annual report, and program presentations to dairy industry groups.

Manage emerging issues and crisis communications on farm/dairy related issues such as animal health, environment, and product safety.

Qualifications:

BS/BA degree in Education, Business Administration or Nutrition with 10 years experience in progressively responsible administrative positions. Experience in nutrition education and/or marketing, communications preferred. Knowledge of dairy industry desirable.

MAINE DAIRY & NUTRITION COUNCIL / MAINE DAIRY PROMOTION BOARD

SCHOOL MARKETING PROGRAMS MANAGER

Area of Responsibility: Classroom nutrition education programs, preschool programs, school food service programs, other school programs, other nutrition education programs

Manages and executes the local extension of the nutrition marketing plan developed jointly by DMI and the local SIR organizations and approved by the Maine Boards of Directors.

Plans, manages and implements locally developed nutrition marketing programs approved by the Maine Boards of Directors.

Collaborates with personnel from other priority areas and coordinates with national, state and local key leaders in complementary programs to facilitate successful execution of the school and nutrition marketing plan. Attends DMI planning/program conferences and may serve on program development teams.

Serves as a liaison for the local S/R program with organizations and government agencies with missions related to school student health, nutrition education and school food service initiatives.

Plans and implements public relations campaigns related to school nutrition and school food service programs

Estimates budget for program areas and is responsible for maintaining expenses within board approved parameters

Communicates activity/issues to Executive Director at least weekly and reports on plan execution to joint board at each meeting

Qualifications: B.S. /B.A. degree in nutrition, home economics or education with corresponding credential R. D., C.F.C.S., or professional teaching certificate in the field of specialization as issued by the State of Maine and 2 years of related professional work experience.

Maine Dairy Promotion Board/Maine Dairy & Nutrition Council

Communications and Nutrition Affairs Manager

Overall Accountability: Lead the communications execution of all Unified Marketing Plan (UMP) activities of Maine Dairy Promotion Board/Maine Dairy & Nutrition Council to positively position dairy and dairy products and their benefits with health professional and consumers.

Manages and executes the local extension of the communication/nutrition affairs marketing programs developed jointly by Dairy Management Inc. and the local S/R organizations and approved by the Maine Joint Board of Directors.

Plans, manages and implements locally developed dairy nutrition marketing programs approved by the Maine Joint Board of Directors.

Serves as a liaison for the local S/R program with local health professional organizations, and other communications professionals from other S/Rs and Dairy Management Inc.

Plans and implements public relations/social media communications and campaigns related to positioning dairy and dairy products in a positive position with consumers.

Estimates budget for communications and nutrition affairs program areas and is responsible for maintaining expenses within Board approved parameters.

Plans, manages and implements all social media for the local S/R organizations.

Attends Dairy Management Inc. Communications meetings and training and other DMI meetings as needed. May serve on DMI program development teams.

Communicates activities/issues with Executive Director at least weekly and reports on Unified Marketing Plan execution to the Joint Board of Directors at each Joint Board meeting.

Qualifications:

Bachelor's Degree in communications, public relations, journalism or a related field from an accredited college or university

- At least 3- 5 years of experience in communications, public relations, food marketing, or a combination of equivalent education and experience.
- Familiarity with dairy industry and/or agriculture desirable, human nutrition knowledge a plus.
- Proven record of leadership in relevant organizations.
- Highly developed written, oral, and social media communication skills.
- Experience in grant writing and fund raising a plus

MAINE DAIRY PROMOTION BOARD/MAINE DAIRY & NUTRITION COUNCIL

OFFICE MANAGER

Areas of Responsibility:

Administrative and Accounting functions.

Answer all incoming telephone calls, receive all mail and deliveries, forwarding both to the appropriate individual within the organization, signing for shipments and taking messages whenever necessary.

Perform daily back up and manage software updates on computer network, troubleshoot computer problems and interact with outside technical support staff when necessary.

Place orders to maintain an inventory of nutrition education materials, promotional items and administrative supplies.

Mail out the agenda for and record the minutes of the Joint Board of Director's meetings. Maintain records of current B.O.D. members, contact information and term limits.

Perform the daily responsibilities of Accounts Receivable, Accounts Payable, Customer Service, Payroll and Human Resources.

Maintain financial records utilizing Excel spreadsheets and QuickBooks computerized accounting system.

Reconcile all bank statements on a monthly basis.

Prepare financial statements as required or requested by the Joint Board of Directors and/or the Executive Director.

Provide assistance and information to outside auditing firm personnel as required to complete annual audit of financial records.

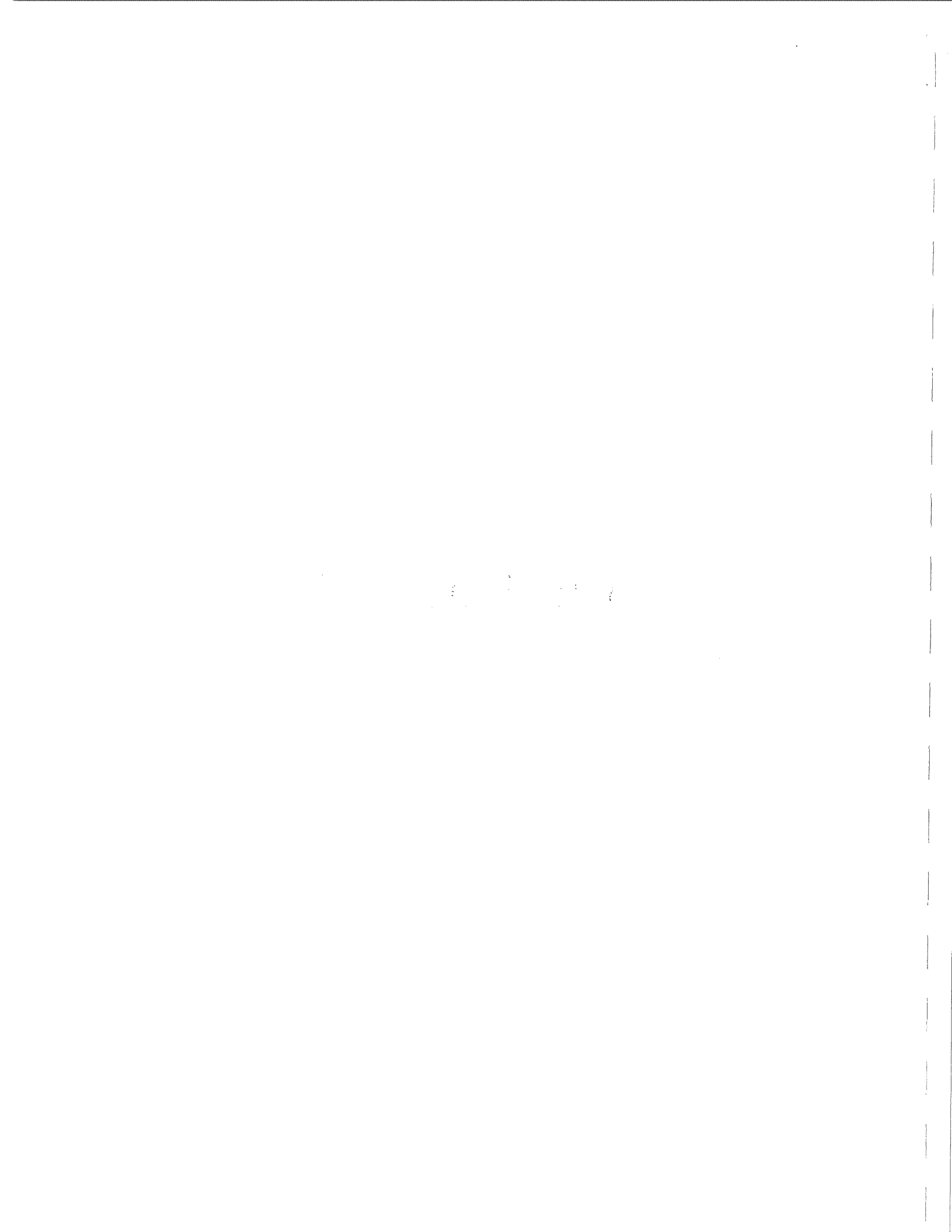
Process nutrition education material orders and requests for dairy promotion items. Package goods for shipment and coordinate shipment of items cost effectively.

Provide administrative support to the Executive Director and other members of the Professional Staff.

Qualifications:

High School Diploma with a minimum of 5 years experience working in an office environment in a supervisory capacity, performing computerized accounting and administrative functions or an Associates Degree in Business Administration with a minimum of 3 years experience working in an office environment performing computerized accounting and administrative functions. The ideal candidate should be responsible, organized, and flexible; possess the ability, sound judgment and skills necessary to make decisions and work independently without immediate supervision.

Attachments 4



MAINE EMPLOYERS' MUTUAL INSURANCE COMPANY
PORTLAND, ME
WORKERS' COMPENSATION AND EMPLOYERS' LIABILITY POLICY
DIVISION: OFFICE & CLERICAL

DECLARATIONS Renewal of 1810043002 Policy No. 1810043002

1. Named Insured and Address: I0113571
MAINE DAIRY PROMOTION BOARD
C/O CHERYL BEYELER
333 CONY ROAD
AUGUSTA, ME 04330
Producer Name and Address: 10004 18
CROSS INSURANCE-AUGUSTA
116 COMMUNITY DR
AUGUSTA, ME 04330-8009

Fed Id: 010507505 Risk Id: 000000000 UIAN: 0066046001 Pay Plan: 04
Named Insured Is: NON PROFIT ORGANIZATION
2. Policy Period: From 2015/06/30 To 2016/06/30 Plan: STANDARD
12:01 A.M. standard at address of named insured

- 3.A. Workers' Compensation Insurance: Part one of the policy applies to the workers' compensation law of the states listed here: Maine
B. Employers' Liability Insurance: Part two of the policy applies to work in each state listed in item 3.A. The limits of our liability under part two are:
BODILY INJURY BY ACCIDENT \$500,000 EACH ACCIDENT
BODILY INJURY BY DISEASE \$500,000 EACH EMPLOYEE
BODILY INJURY BY DISEASE \$500,000 POLICY LIMIT
C. Other States Insurance: Part three of the policy applies to the states, if any, listed here: NONE
D. This Policy Includes These Forms, Endorsements and Schedules:

SEE ATTACHED SCHEDULE OF FORMS AND ENDORSEMENTS

4. The premium for this policy will be determined by our manual of rules, classifications, rates and rating plans. All information required below is subject to verification and change by audit.

Classifications: SEE ATTACHED

This policy has been renewed subject to the rules and forms in effect as of the effective date of renewal.

Audit Period: ANNUAL

Premium For Increased Limits Part Two, If Applicable	\$	75.00
Total Premium Subject To The Experience Modification	\$	1,244.00
Premium Modified To Reflect Experience Mod Of 0.00	\$	1,244.00
Expense Constant Charge	\$	180.00
Other Premium Charges and Credits	\$	117.00-
Total Estimated Standard Premium	\$	1,307.00
Premium Discount, If Applicable	\$.00
Other Premium Charges and Credits	\$.00
Minimum Premium	246.00	Total Estimated Annual Premium \$ 1,307.00

E.P.L.I.	\$	190.00
WC Board Assessment 2.69%	\$	28.00
SBF Assessment 0.00%	\$.00
T O T A L	\$	1,525.00

RECEIVED
JUN 03 2015

BY: MF

COUNTERSIGNED:
2015/06/01

Insured's Copy

By

John T. Leonard

Authorized Representative

DEC Page Attachment(s)

Policy Number 1810043002
 Insured MAINE DAIRY PROMOTION BOARD
 Policy Period From 2015/06/30 To 2016/06/30

EXTENSION SCHEDULE

Loc	Classifications	Code No	Premium Basis Total Estimated Annual Remuneration	Rate Per \$100 of Remunera- tion	Estimated Annual Premium
001	CLERICAL OFFICE EMPLOYEES NOC	8810	76,595	0.42	322
001	SALESPERSONS-OUTSIDE	8742	154,020	0.55	847

OTHER PREMIUM CHARGES SCHEDULE

Description	Premium
15% LOSS FREE DISCOUNT	187-
TERRORISM RISK INS PGM REAUTHORIZATION ACT (TRIPRA)	35
CATASTROPHE (OTHER THAN CERTIFIED ACTS OF TERRORISM)	35
EMPLOYMENT PRACTICES LIABILITY	190

SCHEDULE OF FORMS & ENDORSEMENTS

EM 00 00 01 (Ed. 01-93)	EM 00 00 04 (Ed. 01-93)	WC 99 04 01 (Ed. 12-09)
ENDORSMT A (Ed. 07-10)	WC 00 00 00 B (Ed. 07-11)	WC 00 04 04 (Ed. 04-84)
WC 00 04 06 (Ed. 08-84)	WC 18 06 01 (Ed. 04-84)	WC 18 06 04 (Ed. 05-88)
WC 18 06 06 (Ed. 08-99)	WC 00 04 19 (Ed. 01-01)	WC 18 06 07 A (Ed. 07-11)
WC 00 04 22 B (Ed. 01-15)	WC 00 04 21 D (Ed. 01-15)	EPL00 00 01 (Ed. 02-08)
EPL00 00 02 (Ed. 11-07)	WC 99 04 03 (Ed. 07-11)	WC 99 06 38 (Ed. 03-13)

LOCATION SCHEDULE

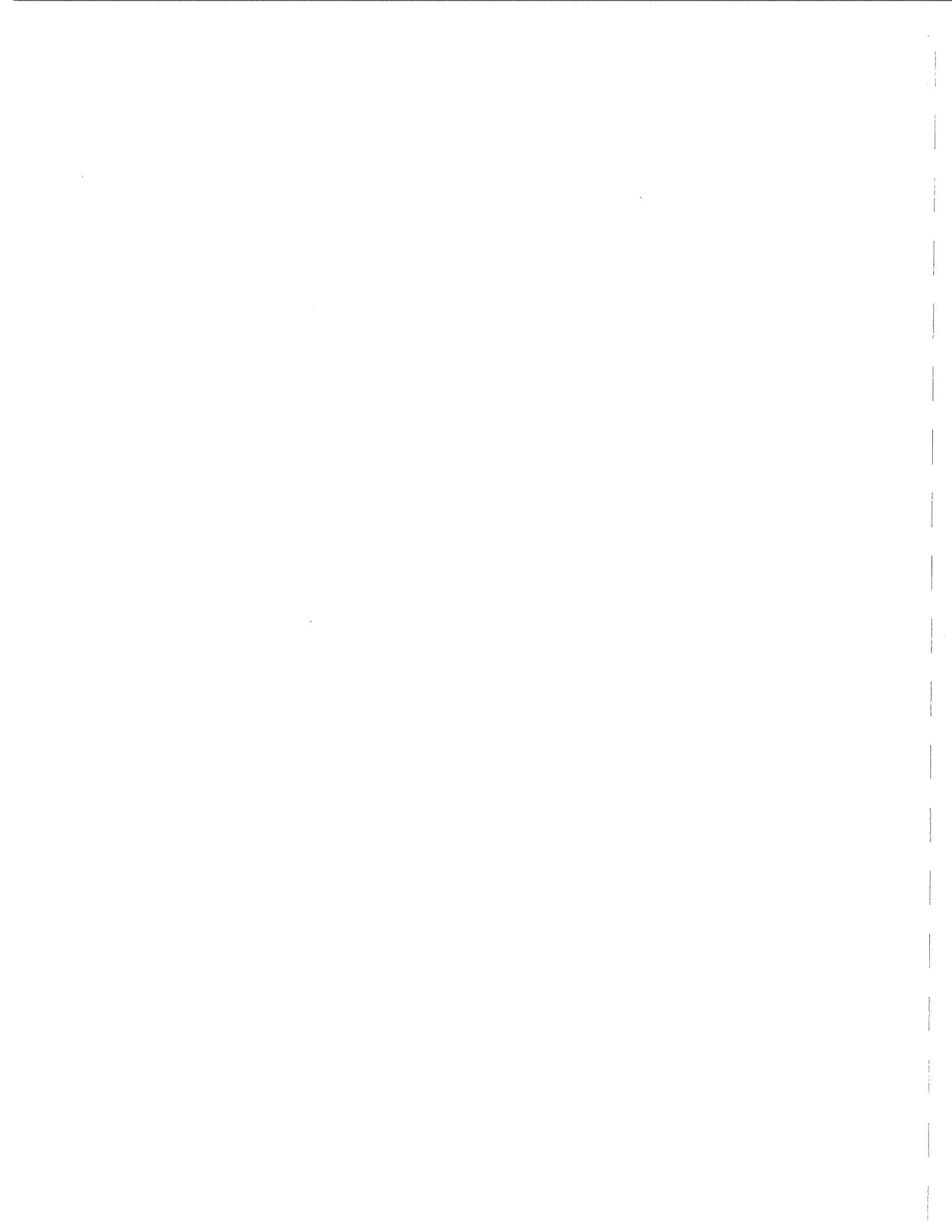
Covered Locations
 001 333 CONY ROAD AUGUSTA, ME 04330

Attachments 5,6,7,8,9



Maine Dairy & Nutrition Council
Income & Expense Summary
2005 - 2014

		2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
	Bal. Carried Forward from Previous Year	\$138,997	\$129,316	\$101,540	\$ 91,517	\$107,441	\$100,572	\$ 77,231	\$ 54,481	\$ 57,233	\$ 71,226
INCOME											
	Nat'l Checkoff: Transfer from MDPB 2¢/cwt.	118,795	121,553	122,736	117,841	117,326	119,444	120,471	116,817	114,117	118,192
	State Assessment: ME Producer Dealer/Processor Fee 1.5¢/cwt.	74,317	81,112	77,438	76,418	73,940	77,269	75,992	60,067	59,014	57,172
	Other: Nutrition Ed Material Sales	137	108	8,294	806	1,632	1,301	742	972	1,185	1,074
	Interest Income/Misc. Income	253	318	310	481	715	1,249	1,459	1,612	1,088	78
	Net Current Year Income	\$193,502	\$203,092	\$208,779	\$195,546	\$193,612	\$199,264	\$198,664	\$179,468	\$175,404	\$176,517
	Total Current Income & Carryover	\$332,499	\$332,408	\$310,319	\$287,063	\$301,053	\$299,836	\$275,895	\$233,949	\$232,637	\$247,743
EXPENSE											
	UMP Programs:										
	Black Bear Sports Partnership	4,750	4,750	4,500	-	4,630	-	-	-	-	-
	Integrated Communications/Media	7,896	3,400	2,453	442	-	200	809	-	-	823
	School Programs/FUTP60 Grants	16,000	9,227	13,585	3,606	-	4,252	4,106	6,172	12,380	23,696
	Industry Image & Producer Relations	9,599	6,927	9,581	17,693	9,195	8,352	6,274	4,735	6,018	10,763
	Child Nutrition/Health & Wellness Ed	22,820	7,934	11,488	14,155	44,116	28,367	20,456	10,615	14,577	21,929
	UMP Programs Total	\$ 61,065	\$ 32,238	\$ 41,607	\$ 35,896	\$ 57,941	\$ 41,171	\$ 31,645	\$ 21,522	\$ 32,975	\$ 57,211
	Core Costs:										
	Administration	2,338	2,337	2,384	2,260	3,034	2,047	4,248	3,168	3,344	3,974
	Overhead	7,764	8,157	7,060	7,204	7,106	8,772	8,389	6,700	16,244	16,534
	Personnel	155,785	150,679	129,952	140,163	141,454	140,406	132,844	126,513	122,510	112,791
	Core Costs Total	\$165,887	\$161,173	\$139,396	\$149,627	\$151,595	\$151,225	\$145,481	\$136,381	\$142,098	\$133,299
	Total Expense	\$226,952	\$193,411	\$181,003	\$185,523	\$209,536	\$192,396	\$177,126	\$157,903	\$175,072	\$190,510
	Net Income	\$105,547	\$138,997	\$129,316	\$101,540	\$ 91,517	\$107,440	\$ 98,769	\$ 76,046	\$ 57,565	\$ 57,233





1400 Independence Avenue, SW.
Room 2958-S, STOP 0233
Washington, DC 20250-0233

December 16, 2013

Ms. Cheryl Beyeler
Maine Dairy and Nutrition Council
333 Cony Road
Augusta, ME 04330

Dear Ms. Beyeler:

Thank you for your cooperation in completing the "Application for Initial or Continued Qualification of Dairy Product Promotion, Research or Nutrition Education Program" with financial data and program information for 2012. We have approved your application for continued qualification. Milk producers may continue to receive credit against the 15-cent per hundredweight assessment due to the National Dairy Promotion and Research Board when contributing to your program. Your reported financial data will be aggregated with data from other qualified programs for the 2013 Report to Congress on the Dairy Promotion Programs.

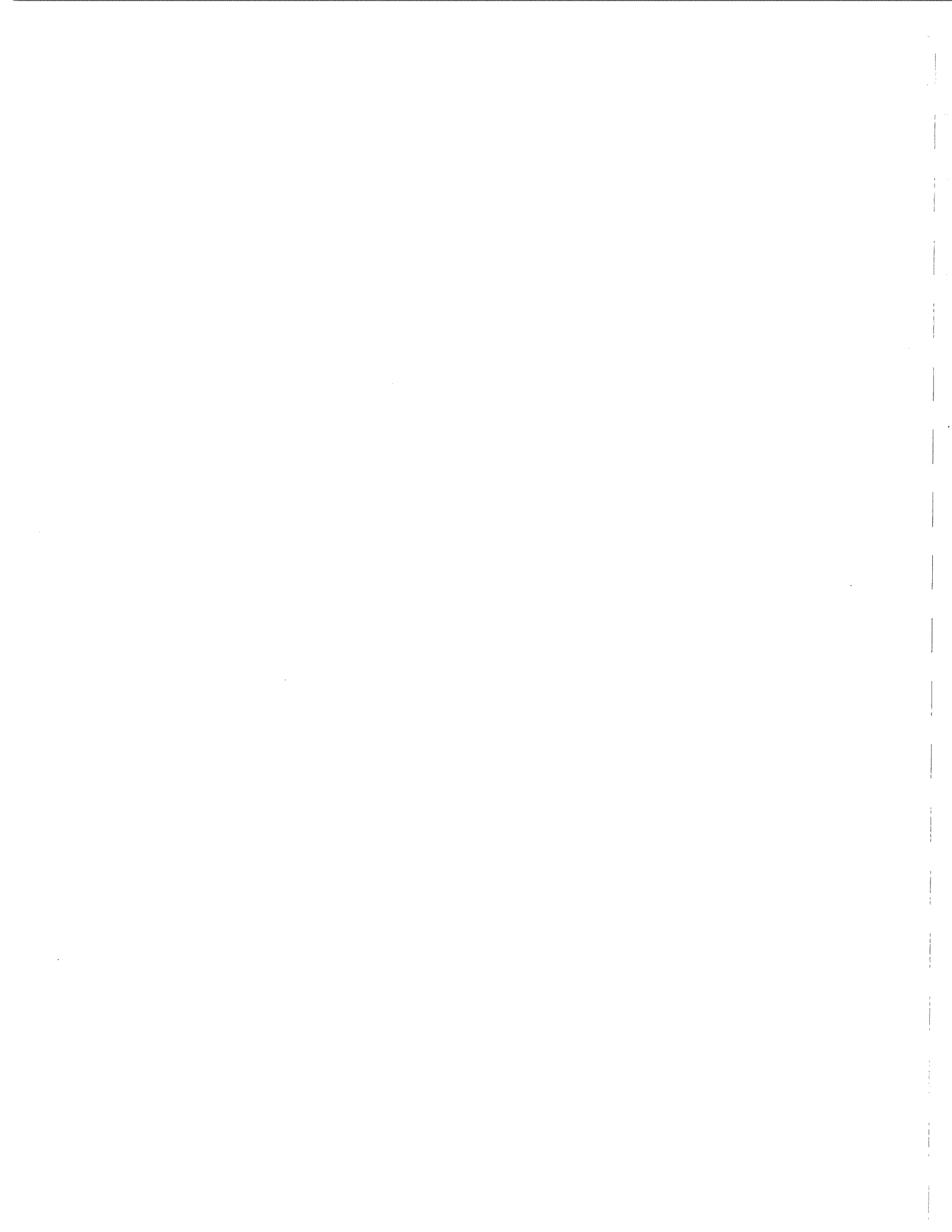
Please send us information on any organizational structure, or address changes in your program, including mergers or other types of consolidation, as they occur. If there are changes in your sources of annual income, use of annual income, forms of advertising or promotion, or any changes that may affect your program's qualification, please notify us promptly.

We will provide the application for initial and continued qualification of Dairy Product Promotion, Research or Nutrition Education Program in February, 2014. Please visit 'Dairy - Qualified Programs' at www.ams.usda.gov for program information updates. If you have any questions, please contact John Galbraith of the Promotion, Research and Planning Division at 202-720-6909 or by email: John.Galbraith@ams.usda.gov.

Sincerely,

A handwritten signature in black ink that reads "Whitney A. Rick". The signature is written in a cursive, flowing style.

Whitney A. Rick
Director, Promotion, Research & Planning Division
Dairy Programs



UNITED STATES DEPARTMENT OF AGRICULTURE
 AGRICULTURAL MARKETING SERVICE
 DAIRY PROGRAMS

APPLICATION FOR INITIAL OR CONTINUED QUALIFICATION OF
 DAIRY PRODUCT PROMOTION, RESEARCH,
 OR NUTRITION EDUCATION PROGRAM
 (Under Dairy Production Stabilization Act of 1983)

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0581-0093. The time required to complete this information collection is estimated to average 3 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

The U.S. Department of Agriculture (USDA) prohibits discrimination against its customers, employees, and applicants for employment on the bases of race, color, national origin, age, disability, sex, gender identity, religion, reprisal, and where applicable, political beliefs, marital status, familial or parental status, sexual orientation, or all or part of an individual's income is derived from any public assistance program, or protected genetic information in employment or in any program or activity conducted or funded by the Department. (Not all prohibited bases will apply to all programs and/or employment activities.)

USDA, AMS, DAIRY PROGRAMS
 PROMOTION, RESEARCH AND PLANNING DIVISION
 STOP 0233, ROOM 2958-S
 1400 INDEPENDENCE AVENUE, SW
 WASHINGTON, D.C. 20250-0233

Information is collected in order to determine initial or continued qualification of dairy product promotion, research or nutrition education programs (7 CFR 1150.153). Application is voluntary but qualification is necessary to receive a benefit. Information from organizations is held confidential in the manner set forth in 7 CFR 1150.173, except for any release required under the Freedom of Information Act.

The Dairy Promotion and Research Order (7 CFR 1150.101 *et seq.*) provides in §1150.153 that any organization that conducts a dairy product promotion, research, or nutrition education program may request qualification of its program from the Secretary of Agriculture. Producers or importers contributing to a qualified program (QP) may receive credit for contributions to such program pursuant to §1150.152 of the Order. To be eligible for initial or continued qualification, the program must:

- a. Be engaged in dairy product promotion, research, or nutrition education activities that are intended to increase consumption of milk and dairy products generally.
- b. Except for programs operated under the laws of the United States or any State, and except for importer programs, have been active and ongoing before November 29, 1983.
- c. Be financed primarily by producers, either individually or through cooperative associations, or for importer programs, be financed primarily by importers.
- d. Not use a brand or trade name in its advertising and promotion of dairy products unless approved by the National Dairy Promotion and Research Board and the Secretary.
- e. Certify to the Secretary that any requests from producers or importers for refunds under its programs will be honored by forwarding to the Board or to the qualified program designated by the producer or importer that portion of the refund equal to the amount of the credit given to the producer or importer because of his/her participation in the program. The amount of such credit may not exceed 10 cents per hundredweight for a producer and 2.5 cents per hundredweight or equivalent thereof, for an importer.
- f. Not use program funds for the purpose of influencing governmental policy or action.

If additional space is required, provide an additional attachment identified by item number.

The following information is to be submitted by each organization requesting initial or continued qualification of its dairy product promotion, research, or nutrition education program(s).

1. CURRENT NAME AND ADDRESS OF ORGANIZATION (Complete Mailing Address)

Name: Utah Dairy Promotion Council Telephone No.: (207) 287-3621
 Address: 333 Curry Road Fax Number: (207) 287-4161
 Address: _____ Email Address: cheny@utahdairy.org
 City: Augusta State: ME Zip: 04330

2. DOES YOUR ORGANIZATION CONDUCT OR FUND A DAIRY PRODUCT: (Answer All That Apply)

A. Promotion Program? B. Research Program? C. Nutrition Education Program?

3. IS YOUR ORGANIZATION PRIMARILY FINANCED (50% OR MORE) DIRECTLY BY PRODUCERS, COOPERATIVE ASSOCIATIONS AND/OR IMPORTERS?

Yes No

4. ARE CONTRIBUTIONS BY PRODUCERS OR IMPORTERS REFUNDABLE TO SUCH PRODUCERS OR IMPORTERS?

Yes No

5. DOES YOUR PROGRAM UTILIZE A BRAND OR TRADE NAME IN ITS ADVERTISING AND PROMOTION OF DAIRY PRODUCTS?

Yes No

6. DOES YOUR ORGANIZATION USE PROGRAM FUNDS FOR THE PURPOSE OF INFLUENCING GOVERNMENTAL POLICY OR ACTION?

Yes No

7. IF YOUR PROGRAM OPERATES UNDER STATE LAW, WHAT IS THE MANDATORY ASSESSMENT RATE PER HUNDREDWEIGHT UNDER THAT PROGRAM?

PLEASE LIST THE AMOUNT OF THE STATE ASSESSMENT OR N/A (NOT APPLICABLE). 0.15 CENTS PER HUNDREDWEIGHT

8. PROVIDE THE FOLLOWING INFORMATION ON ANNUAL INCOME AND EXPENDITURES FOR THE CALENDAR YEAR ENDING (SEE ACCOMPANYING ADDITIONAL INSTRUCTIONS FOR FORM DA-15-CG.)

2013
(YEAR)

SOURCES OF TOTAL ANNUAL INCOME:

Carryover from Previous Year (This should be the same as last year's reported "Total Funds Available for Future Year Programs.")	\$	55,390.41
Current Year Income ^{1/}		
Producer Remittances		121,553
Add: Payments Received from Other QPs	+	
Add: Payments Received from Unified Marketing Plan Equalization Fund	+	
Less: Payments Transferred to Other QPs	(-)	
Less: Payments Transferred to Unified Marketing Plan Equalization Fund	(-)	
Other Income Sources ^{2/}		426
TOTAL ADJUSTED ANNUAL INCOME ^{3/}		<u>177,369.41</u>

EXPENDITURES: ^{4/} (Provide total expenditures spent directly by your organization for each line item)

Advertising, Promotion, and Sales (AP&S)		
Fluid Milk		
Cheese		
Butter		
Frozen Dairy Products		
Other AP&S Expenditures ^{5/}		
Subtotal for AP&S		<u>31,934.20</u>
Nutrition Education		
Nutrition Research		
Dairy Product Research		
Market and Economic Research		
Public and Industry Communications		251,294
Unified Marketing Plan ^{6/}		71,758.70
Administrative ^{7/}		6,093.06
Other Expenditures ^{8/}		
TOTAL ANNUAL EXPENDITURES		
UDIA DUES ^{9/}		<u>112,299</u>
TOTAL ANNUAL EXPENDITURES AND UDIA DUES		<u>112,299</u>
TOTAL FUNDS AVAILABLE FOR FUTURE YEAR PROGRAMS ^{10/}	\$	<u>65,070.41</u>

- ^{1/} Please provide a schedule of income for all sources of current year income. List each separate source and amount of income by name of remitter. **DO NOT** list individual producers or importers. List funds received from and/or transferred to each QP and for the Unified Marketing Plan Equalization Fund separately.
- ^{2/} Examples of Other Income Sources include: total interest earned by your organization; income from processors, handlers, sales of supplies and materials; refunds from overpaid expenditures; contributions from various organizations; gains on the sale of property and equipment; and miscellaneous items. These items should be listed separately on the attached schedule of income.
- ^{3/} Total Adjusted Annual Income equals the total of all Sources of Income minus Payments Transferred to Other QPs and/or the Unified Marketing Plan Equalization Fund.
- ^{4/} For each line item expenditure, enclose a schedule of expenses by project or program area, including a project description(s) and related costs. If no funds were spent in a line item, indicate zero (-0-).
- ^{5/} Examples of Other AP&S Expenditures include calcium, nonfat dry milk, holiday, and multi-product advertising and promotion programs.
- ^{6/} Please enclose a copy of your unified marketing plan expenditure reports and supplemental documentation.
- ^{7/} Section 1150.151 (a) of the Order states that the administrative expenses incurred by the National Dairy Board shall not exceed 5 percent of the projected revenue of that fiscal year. In this regard, we urge you to keep the administrative expenses of your organization to a minimum.
- ^{8/} Examples of Other Expenditures include capital expenses, contributions to universities and other organizations, etc. Provide a schedule of expenditures.
- ^{9/} Report only UDIA membership dues.
- ^{10/} Total Funds Available for Future Year Programs equals Total Annual Expenditures and UDIA dues subtracted from Total Adjusted Annual Income.

9. PROVIDE YOUR ANNUAL AUDIT, INCLUDING THE AUDITOR'S LETTER OF COMMENTS THAT ADDRESSES THE FIVE CRITERIA (ITEMS A-E) FOUND ON PAGE 3 OF THE ACCOMPANYING ADDITIONAL INSTRUCTIONS FOR FORM DA-15-CG.

10. PROVIDE A COPY OF YOUR MOST RECENT ANNUAL REPORT.

I hereby certify that the information provided above is true, complete, and correct to the best of my knowledge. If producers or importers are eligible to receive a refund of their contributions, I also certify that the producer's or importer's refund requests will be handled in accordance with the Order. The Secretary of Agriculture may examine our books, records, files, and facilities to verify any of the information submitted and may procure other information to verify this organization's eligibility for qualification.

I agree to notify AMS, Dairy Programs of any changes in our organizational structure, including merger or other types of consolidation; changes that may affect our program's continued qualification (see items 2 through 6); or if our program is discontinued.

NAME <u>Cheryl L. Beyeler</u>	TITLE <u>Executive Director</u>
SIGNATURE <u>Cheryl L. Beyeler</u>	DATE <u>April 2014</u>



1400 Independence Avenue, SW.
Room 2958-S, STOP 0233
Washington, DC 20250-0233

October 19, 2015

Ms. Cheryl L. Beyeler
Maine Dairy and Nutrition Council
333 Cony Road
Augusta, Maine 04330

Dear Ms. Beyeler:

Thank you for your cooperation in completing the "Application for Initial or Continued Qualification of Dairy Product Promotion, Research or Nutrition Education Program" with financial data and program information for 2014. We have approved your application for continued qualification. Milk producers may continue to receive credit against the 15-cent per hundredweight assessment due to the National Dairy Promotion and Research Board when contributing to your program. Your reported financial data will be aggregated with data from other qualified programs for the 2015 Report to Congress on the Dairy Promotion Programs.

Please send us information on any organizational structure, or address changes in your program, including mergers or other types of consolidation, as they occur. If there are changes in your sources of annual income, use of annual income, forms of advertising or promotion, or any changes that may affect your program's qualification, please notify us promptly.

We will provide the application for initial and continued qualification of Dairy Product Promotion, Research or Nutrition Education Program in February 2015. Please visit 'Dairy - Qualified Programs' at www.ams.usda.gov for program information updates. If you have any questions, please contact John Galbraith of the Promotion, Research and Planning Division at 202-720-6909 or by email: John.Galbraith@ams.usda.gov.

Sincerely,

A handwritten signature in cursive script that reads "Whitney A. Rick".

Whitney A. Rick
Director, Promotion, Research & Planning Division
Dairy Programs



UNITED STATES DEPARTMENT OF AGRICULTURE
 AGRICULTURAL MARKETING SERVICE
 DAIRY PROGRAMS

APPLICATION FOR INITIAL OR CONTINUED QUALIFICATION OF
 DAIRY PRODUCT PROMOTION, RESEARCH,
 OR NUTRITION EDUCATION PROGRAM
 (Under Dairy Production Stabilization Act of 1983)

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0581-0093. The time required to complete this information collection is estimated to average 3 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

The U.S. Department of Agriculture (USDA) prohibits discrimination against its customers, employees, and applicants for employment on the bases of race, color, national origin, age, disability, sex, gender identity, religion, reprisal, and where applicable, political beliefs, marital status, familial or parental status, sexual orientation, or all or part of an individual's income is derived from any public assistance program, or protected genetic information in employment or in any program or activity conducted or funded by the Department. (Not all prohibited bases will apply to all programs and/or employment activities.)

USDA, AMS, DAIRY PROGRAMS
 PROMOTION, RESEARCH AND PLANNING DIVISION
 STOP 0233, ROOM 2958-S
 1400 INDEPENDENCE AVENUE, SW
 WASHINGTON, D.C. 20250-0233

Information is collected in order to determine initial or continued qualification of dairy product promotion, research or nutrition education programs (7 CFR 1150.153). Application is voluntary but qualification is necessary to receive a benefit. Information from organizations is held confidential in the manner set forth in 7 CFR 1150.175, except for any release required under the Freedom of Information Act.

The Dairy Promotion and Research Order (7 CFR 1150.101 *et seq.*) provides in §1150.153 that any organization that conducts a dairy product promotion, research, or nutrition education program may request qualification of its program from the Secretary of Agriculture. Producers or importers contributing to a qualified program (QP) may receive credit for contributions to such program pursuant to §1150.152 of the Order. To be eligible for initial or continued qualification, the program must:

- a. Be engaged in dairy product promotion, research, or nutrition education activities that are intended to increase consumption of milk and dairy products generally.
- b. Except for programs operated under the laws of the United States or any State, and except for importer programs, have been active and ongoing before November 29, 1983.
- c. Be financed primarily by producers, either individually or through cooperative associations, or for importer programs, be financed primarily by importers.
- d. Not use a brand or trade name in its advertising and promotion of dairy products unless approved by the National Dairy Promotion and Research Board and the Secretary.
- e. Certify to the Secretary that any requests from producers or importers for refunds under its programs will be honored by forwarding to the Board or to the qualified program designated by the producer or importer that portion of the refund equal to the amount of the credit given to the producer or importer because of his/her participation in the program. The amount of such credit may not exceed 10 cents per hundredweight for a producer and 2.5 cents per hundredweight or equivalent thereof, for an importer.
- f. Not use program funds for the purpose of influencing governmental policy or action.

If additional space is required, provide an additional attachment identified by item number.

The following information is to be submitted by each organization requesting initial or continued qualification of its dairy product promotion, research, or nutrition education program(s).

1. CURRENT NAME AND ADDRESS OF ORGANIZATION (Complete Mailing Address)

Name: Maine Dairy and Nutrition Council Telephone No.: (207) 287-3621
 Address: 333 Gony Road Fax Number: (207) 287-7161
 Address: _____ Email Address: info@drinkmainemilk.org
 City: Augusta State: Maine Zip: 04330

2. DOES YOUR ORGANIZATION CONDUCT OR FUND A DAIRY PRODUCT: (Answer All That Apply)

A. Promotion Program? B. Research Program? C. Nutrition Education Program?

3. IS YOUR ORGANIZATION PRIMARILY FINANCED (50% OR MORE) DIRECTLY BY PRODUCERS, COOPERATIVE ASSOCIATIONS AND/OR IMPORTERS?

Yes No

4. ARE CONTRIBUTIONS BY PRODUCERS OR IMPORTERS REFUNDABLE TO SUCH PRODUCERS OR IMPORTERS?

Yes No

5. DOES YOUR PROGRAM UTILIZE A BRAND OR TRADE NAME IN ITS ADVERTISING AND PROMOTION OF DAIRY PRODUCTS?

Yes No

6. DOES YOUR ORGANIZATION USE PROGRAM FUNDS FOR THE PURPOSE OF INFLUENCING GOVERNMENTAL POLICY OR ACTION?

Yes No

7. IF YOUR PROGRAM OPERATES UNDER STATE LAW, WHAT IS THE MANDATORY ASSESSMENT RATE PER HUNDREDWEIGHT UNDER THAT PROGRAM?

PLEASE LIST THE AMOUNT OF THE STATE ASSESSMENT OR N/A (NOT APPLICABLE). 1 1/2 CENTS PER HUNDREDWEIGHT

8. PROVIDE THE FOLLOWING INFORMATION ON ANNUAL INCOME AND EXPENDITURES FOR THE CALENDAR YEAR ENDING
(SEE ACCOMPANYING ADDITIONAL INSTRUCTIONS FOR FORM DA-15-CG.)

2014
(YEAR)

SOURCES OF TOTAL ANNUAL INCOME:

Carryover from Previous Year (This should be the same as last year's reported "Total Funds Available for Future Year Programs.")	\$	65,070.41
Current Year Income ^{8.1/}		
Producer Remittances		
Add: Payments Received from Other QPs	+	118,795.00
Add: Payments Received from Unified Marketing Plan Equalization Fund	+	
Less: Payments Transferred to Other QPs	(-)	
Less: Payments Transferred to Unified Marketing Plan Equalization Fund	(-)	
Other Income Sources ^{8.2/}		390.00
TOTAL ADJUSTED ANNUAL INCOME ^{8.3/}		184,255.41

EXPENDITURES: ^{8.4/} (Provide total expenditures spent directly by your organization for each line item)

Advertising, Promotion, and Sales (AP&S)		
Fluid Milk		
Cheese		
Butter		
Frozen Dairy Products		
Other AP&S Expenditures ^{8.5/}		
Subtotal for AP&S		46,204.90
Nutrition Education		
Nutrition Research		
Dairy Product Research		
Market and Economic Research		
Public and Industry Communications		9,990.81
Unified Marketing Plan ^{8.6/}		89,754.14
Administrative ^{8.7/}		6,684.15
Other Expenditures ^{8.8/}		
TOTAL ANNUAL EXPENDITURES		152,634.00
UDIA DUES ^{8.9/}		
TOTAL ANNUAL EXPENDITURES AND UDIA DUES		
TOTAL FUNDS AVAILABLE FOR FUTURE YEAR PROGRAMS ^{8.10/}	\$	31,621.41

- ^{8.1/} Please provide a schedule of income for all sources of current year income. List each separate source and amount of income by name of remitter. **DO NOT** list individual producers or importers. List funds received from and/or transferred to each QP and for the Unified Marketing Plan Equalization Fund separately.
- ^{8.2/} Examples of Other Income Sources include: total interest earned by your organization; income from processors, handlers, sales of supplies and materials; refunds from overpaid expenditures; contributions from various organizations; gains on the sale of property and equipment; and miscellaneous items. These items should be listed separately on the attached schedule of income.
- ^{8.3/} Total Adjusted Annual Income equals the total of all Sources of Income minus Payments Transferred to Other QPs and/or the Unified Marketing Plan Equalization Fund.
- ^{8.4/} For each line item expenditure, enclose a schedule of expenses by project or program area, including a project description(s) and related costs. If no funds were spent in a line item, indicate zero (-0-).
- ^{8.5/} Examples of Other AP&S Expenditures include calcium, nonfat dry milk, holiday, and multi-product advertising and promotion programs.
- ^{8.6/} Please enclose a copy of your unified marketing plan expenditure reports and supplemental documentation.
- ^{8.7/} Section 1150.151 (a) of the Order states that the administrative expenses incurred by the National Dairy Board shall not exceed 5 percent of the projected revenue of that fiscal year. In this regard, we urge you to keep the administrative expenses of your organization to a minimum.
- ^{8.8/} Examples of Other Expenditures include capital expenses, contributions to universities and other organizations, etc. Provide a schedule of expenditures.
- ^{8.9/} Report only UDIA membership dues.
- ^{8.10/} Total Funds Available for Future Year Programs equals Total Annual Expenditures and UDIA dues subtracted from Total Adjusted Annual Income.

9. **PROVIDE YOUR ANNUAL AUDIT**, INCLUDING THE AUDITOR'S LETTER OF COMMENTS THAT ADDRESSES THE **FIVE CRITERIA (ITEMS A-E)** FOUND ON PAGE 3 OF THE ACCOMPANYING ADDITIONAL INSTRUCTIONS FOR FORM DA-15-CG.

10. **PROVIDE A COPY OF YOUR MOST RECENT ANNUAL REPORT AND SUPPORTING DOCUMENTS.**

I hereby certify that the information provided above is true, complete, and correct to the best of my knowledge. If producers or importers are eligible to receive a refund of their contributions, I also certify that the producer's or importer's refund requests will be handled in accordance with the Order. The Secretary of Agriculture may examine our books, records, files, and facilities to verify any of the information submitted and may procure other information to verify this organization's eligibility for qualification.

I agree to notify AMS, Dairy Programs of any changes in our organizational structure, including merger or other types of consolidation; changes that may affect our program's continued qualification (see items 2 through 6); or if our program is discontinued.

NAME Cheryl L. Beyeler	TITLE Executive Director
SIGNATURE <i>Cheryl L. Beyeler</i>	DATE April 23, 2015



AUSTIN ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANTS

March 11, 2015

To the Board of Directors
Maine Dairy and Nutrition Council

Additional information has been requested in connection with our audit, for the year ended December 31, 2014, of the Maine Dairy and Nutrition Council.

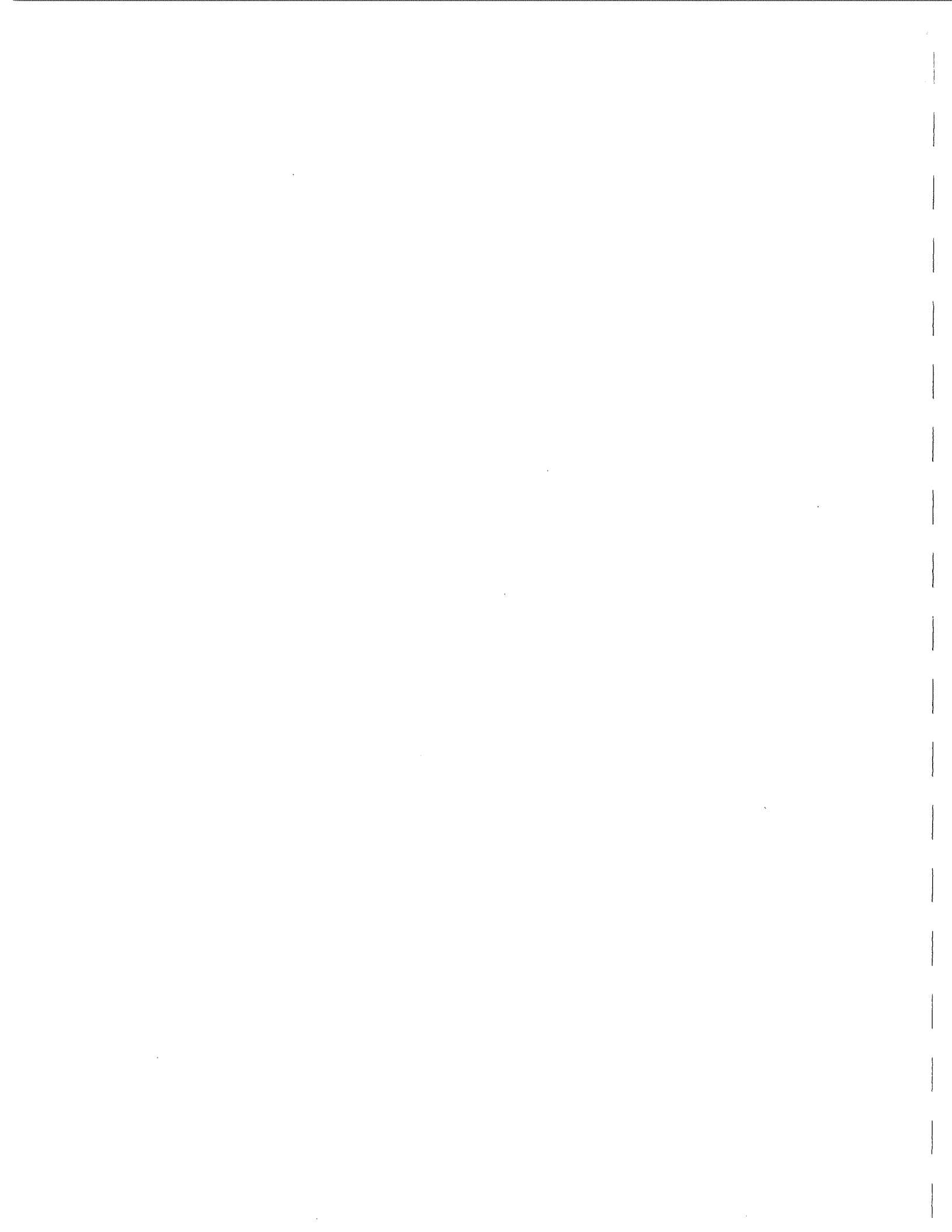
Our responses to the questions posed by the USDA Dairy Division are as follows:

1. Is the Organization engaged in dairy product promotion, research or nutrition education? **YES**
2. Are the Organization's activities financed primarily (more than 50%) by dairy producers, either individually or through cooperative association? **YES**
3. Does the Organization use a brand name or trade name in its advertising and promotion of dairy products? **NO**
4. Does the Organization use funds for the purpose of influencing the governmental policy or actions? **NO**
5. Does the Organization have in place internal controls that provide reasonable assurance that funds, property and other assets are safeguarded against fraud, waste and unauthorized use? **YES**

Please contact us if we can be of further assistance in this matter.

Austin Associates, P.A.

AUSTIN ASSOCIATES, P.A.
Certified Public Accountants



Maine Dairy and Nutrition Council
Statement of Net Position
December 31, 2014

ASSETS

Current Assets

Cash	\$ 95,744
Certificate of Deposit	37,599
Accounts receivable	<u>7,549</u>
Total current assets	140,892

Non-Current Assets

Equipment	21,599
Less - Accumulated depreciation	<u>21,599</u>
Total non-current assets	<u>-</u>

Total Assets

\$ 140,892

LIABILITIES AND NET POSITION

Current Liabilities

Accounts payable	\$ 1,624
Accrued payroll	3,288
Accrued vacation	28,674
Due to Maine Dairy Promotion Board	<u>1,759</u>
Total liabilities	35,345

Net Position - Unrestricted

105,547

Total net position

105,547

Total Liabilities and Net Position

\$ 140,892

Maine Dairy and Nutrition Council
Statement of Revenues, Expenses and Changes in Net Position
For the Year Ended December 31, 2014

Operating Revenue		
Milk tax		\$ 193,112
Other income		390
		<hr/>
Total revenues		193,502
Operating Expenses		
Salaries		106,104
Payroll taxes and employee benefits		49,053
Educational programs and supplies		55,365
Professional fees		7,286
Travel expenses		5,700
Communications		1,393
Equipment rent		299
Educational seminars and training		629
Office supplies		945
Insurance		178
		<hr/>
Total operating expenses		226,952
Change in Net Position		(33,450)
Total Net Position, January 1, 2014		138,997
		<hr/>
Total Net Position, December 31, 2014		\$ 105,547

The accompanying notes are an integral part of these statements.





AUSTIN ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANTS

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

March 11, 2015

To the Board of Directors
Maine Dairy and Nutrition Council

Independent Auditor's Report

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the business-type activities of Maine Dairy and Nutrition Council, as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the Council's basic financial statements, and have issued our report thereon dated March 11, 2015.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Maine Dairy and Nutrition Council's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Maine Dairy and Nutrition Council's internal control. Accordingly, we do not express an opinion on the effectiveness of Maine Dairy and Nutrition Council's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

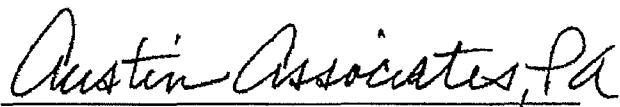
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Maine Dairy and Nutrition Council's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



AUSTIN ASSOCIATES, P.A.

Certified Public Accountants



Maine Dairy & Nutrition Council
Audited Financial Statement
December 31, 2014

		2014	2014
		Audited	Budget
	Carried Forward from Previous Year (audited)	\$ 138,997	\$ 130,000
INCOME			
	Checkoff: Transfer from Another QP (MDPB)	118,795	119,400
	Non Checkoff: Maine Producer Dealer/Dealer/Processor Fee	74,317	75,000
	Other: Nutrition Ed Material Sales	137	150
	Interest Income	253	280
	Current Year Income	\$ 193,502	\$ 194,830
	Total Income & Carryover	\$ 332,499	\$ 324,830
EXPENSE			
UMP Programs			
	Fuel Up To Play 60		
	Integrated Communication (Black Bear Sports)	4,750	4,750
	Integrated Communications Multi Media Messaging	4,179	5,250
	Funds for FUTP60 (GEN YOUTH contribution)	16,000	16,000
	Total Fuel Up To Play 60	\$ 24,929	\$ 26,000
	National Dairy Council		
	Dairy Health & Wellness Marketing/Travel	5,386	7,350
	Optimize Dairy	409	6,500
	Thought Leaders/Industry Partnerships	7,142	11,000
	Source of Information on Dairy Value	3,326	6,800
	Build & Maintain Valued Brand	5,092	14,000
	- Multi Media Messaging	3,531	5,000
	Advance Health & Wellness Goal	1,464	6,350
	Total National Dairy Council	\$ 26,351	\$ 57,000
	Industry Image & Relations		
	Board Relations	5,911	6,800
	Crisis Preparedness	0	2,000
	Dairy Farmer Image	1,140	2,500
	- Social Media Tracking Service	1,500	0
	- Multi Media Messaging	186	0
	Issues Management	0	500
	Producer Relations & Communications	1,047	2,000
	Total Industry Image & Relations	\$ 9,785	\$ 13,800
	Total UMP Programs	\$ 61,065	\$ 96,800

Maine Dairy & Nutrition Council
Audited Financial Statement
December 31, 2014

		2014	2014
		Audited	Budget
CORE COSTS			
Administration:	Communications (phone, fax, internet)	1,393	1,700
	Miscellaneous Exp.	0	50
	Office Supplies	696	1,000
	Postage & Shipping	247	250
	Sales Tax	2	10
	Travel	0	50
Overhead:	Auditor	6,000	6,100
	Bank Service Charges	78	80
	Computer Tech Support / Online Backup	647	850
	Legal	0	250
	Liability Insurance	178	200
	Maintenance & Repairs/Website	20	50
	Payroll Processing Service	541	550
	Postage Machine Rental/Maint.	299	300
Personnel:	Dental Insurance	630	650
	Health Insurance	18,633	18,700
	Life Insurance	788	770
	Medicare Tax	1,013	1045
	Professional Dues & Memberships	295	325
	Retiree Health Insurance	5,693	5,700
	Retirement Contributions	21,548	21,220
	Salaries	106,104	104,100
	Staff Development	164	300
	Training & Seminars	170	250
	Worker's Compensation Ins.	748	800
	Total Core Costs	165,887	\$ 165,300
	Total Expense	\$ 226,952	\$ 262,100
	Net Income	\$ 105,547	\$ 62,730
	Less Board Mandated Reserve	\$ (50,000)	
	Total Unrestricted Income	\$ 55,547	
	Projected Balance Carried Forward to 1/01/15		\$ 62,730