USDA SPECIALTY CROP BLOCK GRANT PROGRAM

Enhancing the Competitiveness of Specialty Crops in Virginia

Fiscal Year 2019
Guidelines and Instructions

Application Due Date:
Monday, March 18, 2019 - 5:00 PM Eastern

Funding of these grants is dependent upon the release of USDA AMS’s 2019 Notice of Funds Availability that is anticipated in March of 2019. These guidelines and instructions are based on the 2018 Award Terms and Conditions and are subject to change.

Administered by

VIRGINIA DEPARTMENT OF AGRICULTURE
AND CONSUMER SERVICES

P.O. Box 1163
Richmond, Virginia 23218
Program Solicitation Information

Funding Opportunity Title from USDA AMS:

Specialty Crop Block Grant Program – Farm Bill

Catalog of Federal Domestic Assistance (CFDA) Number:

10.170

Dates: Applications must be sent electronically to Melissa.ball@vdacs.virginia.gov by 5:00 p.m. Eastern Time on Monday, March 18, 2019. Applications received after this deadline will not be considered for funding.

Executive Summary: The Virginia Department of Agriculture and Consumer Services (VDACS) requests applications for the fiscal year (FY) 2019 Specialty Crop Block Grant Program (SCBGP). Projects will be reviewed, selected, and modified as necessary and compiled into one submission (State Plan) to the U.S. Department of Agriculture (USDA). These funds are for projects that solely enhance the competitiveness of specialty crops. Virginia’s portion of USDA’s AMS Specialty Crop Block Grant is estimated to be approximately $550,000. This request for applications identifies the eligibility criteria for projects and applicants, and the application forms and associated instructions needed to apply for this grant.
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1.1 LEGISLATIVE AUTHORITY

The Specialty Crop Block Grant Program (SCBGP) is authorized under section 101 of the Specialty Crops Competitiveness Act of 2004 (7 U.S.C. 1621 note) and amended under section 10010 of the Agricultural Act of 2014,
Public Law 113-79 (the Farm Bill). SCBGP is currently implemented under 7 CFR part 1291 (published March 27, 2009; 74 FR 13313).

1.2 PURPOSE

The SCBGP assists State departments of agriculture in the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the United States Virgin Islands, and the Commonwealth of the Northern Mariana Islands in solely enhancing the competitiveness of U.S. grown specialty crops. Specialty crops are defined as fruits and vegetables, dried fruit, tree nuts, horticulture, and nursery crops (including floriculture). A State department of agriculture is the agency, commission, or department of a State government responsible for agriculture within the State.

1.3 PROJECT TYPES

The U.S. Department of Agriculture (USDA), Agricultural Marketing Service (AMS) administers the SCBGP. VDACS and USDA encourage projects solely to enhance the competitiveness of specialty crops pertaining to the following issues affecting the specialty crop industry:

- enhancing food safety;
- improving the capacity of all entities in the specialty crop distribution chain to comply with the requirements of the Food Safety Modernization Act, for example, developing “Good Agricultural Practices,” “Good Handling Practices,” “Good Manufacturing Practices,” and in cost-share arrangements for funding audits of such systems (including USDA Group GAP) for small farmers, packers and processors;
- investing in specialty crop research, including research to focus on conservation and environmental outcomes;
- developing new and improved seed varieties and specialty crops;
- pest and disease control;
- increasing child and adult nutrition knowledge and consumption of specialty crops;
- improving efficiency and reducing costs of distribution systems; and
- sustainability.

1.3.1 PROJECTS MORE RELEVANT FOR OTHER FEDERAL GRANT PROGRAMS

Entities that engage in projects that support the increased consumption of fruits and vegetables in the Supplemental Nutrition Assistance Program (SNAP) by providing incentives at the point of purchase and/or include technologies for benefit redemption systems should consider submitting those projects to the Food Insecurity Nutrition Incentive Grant Program (FINI).

Entities that engage in projects that support domestic farmers’ markets, roadside stands, community-supported agriculture programs, agritourism activities, other direct producer-to-consumer market opportunities, and local and regional food business enterprises that process, distribute, aggregate, or store locally or regionally produced food products should consider submitting those projects to the Farmers Market Promotion Program and Local Food Promotion Program.

1.4 DEVELOPMENT OF PROPOSALS
1.4.1 VDACS RESPONSIBILITIES

VDACS is responsible for developing and overseeing funded projects. Applicants must structure proposals so that the State department of agriculture maintains control of the project objectives, sets policy, and ensures that projects are carried out in accordance with all applicable Federal statutes and regulations as well as with the Grant Agreement Terms and Conditions. VDACS is also responsible for ensuring that subrecipients maintain appropriate records and follow all applicable Federal statutes and regulations as well as the Grant Agreement and General Terms and Conditions. VDACS must ensure that proposals are appropriate for the SCBGP by reviewing section 1.2 Purpose.

1.4.2 GROWER-LEVEL PROJECTS

VDACS is encouraged to prioritize and expand funding to projects that are supported by and address the needs of U.S. specialty crop growers. For example, if VDACS receives multiple research or marketing project proposals, USDA SCBGP encourages it to prioritize the proposals supported by grower-level groups.

1.4.3 OUTREACH TO IDENTIFY FUNDING PRIORITIES

VDACS will develop its State Plan through a competitive review process to ensure maximum public input and benefit. The Request for Applications will be sent to interested parties, including beginning and social disadvantaged farmers through a transparent process.

- **Beginning Farmer or Rancher** is an individual or entity that has not operated a farm or ranch for more than 10 years and substantially participates in the operation.

- **Socially Disadvantaged Farmer or Rancher** is a farmer or rancher who is a member of a Socially Disadvantaged Group. A Socially Disadvantaged Group is a group whose members have been subject to discrimination on the basis of race, color, national origin, age, disability, and, where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or a part of an individual's income is derived from any public assistance program.

The competitive review process will follow State policies and procedures and include the use of an independent review panel of experts or qualified individuals, overseen by State department of agriculture officials, to evaluate and score applications and recommend project proposals for selection. The review panel will provide a recommended award amount for project proposals. This review should include the factors and reasons for selecting an applicant and any changes in project proposal ranks/scores that may occur during the review process. Review panel members must be free from conflicts of interest and conduct fair and impartial reviews.

VDACS must also review funding requests carefully for activities funded previously to ensure:

- The projects are likely to become self-sustaining and not indefinitely dependent upon publicly and privately granted funds;
• Funding decisions are based on the applicant’s/subrecipient’s past performance; and
• Specialty crop stakeholders, other than the applicant, individuals, and organizations involved in the project, support the continuation of the project.
• Examples include:
  o If the applicant is a university and the research proposal will establish control techniques for a specific pecan disease, the proposal might identify a pecan growers’ association that supports the project because this was the organization’s number one research priority.
  o If the applicant is a non-profit association requesting funds to promote apples, the proposal might identify specific apple growers that support the project because they are interested in increasing their market share

1.4.4 DEFINITION OF A PROJECT
A project is a set of interrelated tasks with a cohesive, distinct, specified, and defined goal. It follows a planned, organized approach over a fixed period of time and within specific limitations (cost, performance/quality, etc.). Additionally, it uses resources that are specifically allocated to the work of the project and usually involves a team of people.

Projects are different from other ongoing operations in an organization because, unlike operations, projects have a definitive beginning and end - they have a limited duration. One way to think about this is that a project has an overarching goal that the applicant wants to accomplish through a series of individual activities or tasks. Examples of projects include:
  • Researching new cultivars
  • Providing outreach opportunities on specialty crops to youth, families, seniors, and the overall community
  • Marketing apples through a targeted promotional campaign
Activities or tasks that could be a part of such projects might include:
  • Hiring personnel
  • Purchasing special purpose equipment
  • Holding an educational workshop
  • Planting specialty crops

2.0 AWARD INFORMATION

2.1 TYPE OF FEDERAL ASSISTANCE
VDACS will use a Memorandum of Understanding (MOU) to provide support to successful SCBGP applications.

### 2.2 TYPE OF APPLICATIONS

VDACS will review all new applications for conformance with the criteria in 5.0 Application Review Information. VDACS may require the applicant to provide additional information or clarification by a specified deadline.

### 2.3 AVAILABLE FUNDING

VDACS anticipates approximately $550,000 will be available to fund applications in fiscal year 2019 (FY 19) for the SCBGP.

### 2.4 GRANT PERIOD DURATION

VDACS will award funds for a grant period of up to two years in length. The grant period must begin no later than October 1, 2019 and end no later than September 29, 2021, two years from the start date.

### 2.5 GRANT AMOUNTS AVAILABLE TO EACH APPLICANT

Individual projects may request funding of no more than $60,000 over a two-year period.

### 3.0 ELIGIBILITY INFORMATION

#### 3.1 ELIGIBLE APPLICANTS

Applications will be accepted from agricultural associations, industry / producer groups, community based organizations, and academia that seek to improve the competitiveness of specialty crops in Virginia. Applications for grant funds should describe how the project potentially affects and produces measurable outcomes for the specialty crop industry and/or the public rather than a single organization, institution or individual.

#### 3.2 SOLELY ENHANCE THE COMPETITIVENESS OF U.S. OR U.S. TERRITORY GROWN SPECIALTY CROPS

Project(s) must solely enhance the competitiveness of U.S. or U.S. territory-grown specialty crops in either domestic or foreign markets. See the SCBGP website for a definition of specialty crops and processed products, including a list of eligible specialty crops and ineligible commodities. Each project must identify at least one expected measurable outcome that specifically demonstrates the project’s impact in solely enhancing the competitiveness of eligible specialty crops.

#### 3.3 BENEFIT MORE THAN ONE PRODUCT OR ORGANIZATION

Applications for grant funds should describe how the project potentially affects and produces measurable outcomes for the specialty crop industry and/or the public rather than a single organization, institution, or individual.

VDACS will not award grant funds for projects that solely benefit a particular commercial product or provide a profit to a single organization, institution, or individual. In addition, recipients cannot use grant funds to compete unfairly with private companies that provide equivalent products or services. Single organizations, institutions, and individuals are encouraged to participate as project partners.

The following are some examples of acceptable and unacceptable projects:

**Examples of Acceptable Projects**
The State requests funding to contract with a university to conduct research on the feasibility of planting, cultivating, and growing a specialty crop in a particular area, the results of which will be shared with many growers throughout the State during the project.

A producer group requests funds to demonstrate the viability of organic small fruit production and partners with Cooperative Extension to publicize the working model of diversification to other regional growers.

A single non-profit organization requests funds to conduct an advertising campaign that will benefit their specialty crop members.

**Examples of Unacceptable Projects**

- A company requests grant funds to purchase starter plants or equipment used to plant, cultivate, and grow a specialty crop to make a profit, or to expand production of a single business or organization.
- The State requests grant funds to make grants to individual specialty crop businesses or roadside stands to promote their individual business.
- A sole proprietor requests grant funds to redesign her/his logo in order to make her/his specialty crop value-added product stand out at the local farmers’ market.
- A single non-profit organization requests funds to promote their organization’s website rather than promoting specialty crops.
- A single specialty crop organization requests grant funds to market its organization so that it can increase membership in the organization.

### 3.4 COST-SHARING AND MATCHING

This grant program encourages, but does not require cost-sharing or matching funds.

### 3.5 PERFORMANCE MEASURES

AMS is required to report on the outcomes of the SCBGP on a national scale to demonstrate the performance of this program. To fulfill this requirement, AMS collaborated with stakeholders, including the Office of Management and Budget (OMB), to develop a listing of measurable outcomes and indicators that quantifiably measure performance toward fulfilling the program’s purpose of solely enhancing the competitiveness of specialty crops. By collecting, aggregating, and reporting performance data across all States and Territories, AMS can share the impact of the SCBGP with all stakeholders, including OMB, U.S. Congress, the agricultural community, and the public.

Each project submitted in the State Plan must include at least one of the eight outcomes listed in the SCBGP Evaluation Plan and at least one of the indicators listed in the selected outcome(s). The progress of the one or more outcomes and indicators selected will need to be reported in the Annual Performance Report, and the results will be reported in the Final Performance Report. Please refer to the SCBGP Evaluation Plan for more information.

### 3.6 PROJECTS ATTEMPTING TO DISPARAGE THE WORK OF ANOTHER ORGANIZATION

It is unallowable for projects to disparage the mission, goals, and/or actions of another organization.
3.7 COMPETITIVE GRANT APPLICATION REVIEW PROCESS

SCBGP funds must supplement the expenditure of State funds in support of specialty crops grown in that State, rather than replace State funds. Additionally, Federal funding may not replace State funding that is required under 7 U.S.C. § 1621(d)(3). In instances where a question of supplanting arises, the applicant or recipient will be required to substantiate that the reduction in non-Federal resources occurred for reasons other than the receipt or expected receipt of Federal funds.

General Supplanting Definition. A State organization reduces State funds for an activity specifically because Federal funds are available (or expected to be available) to fund that same activity.

• Example: State funds are appropriated for a stated purpose and Federal funds are awarded for that same purpose. (If a State has $50.00 budgeted for a specialty crop program and the Federal government awards a $100.00 grant for the same specialty crop program, the total project must expend $150.00 – the State cannot remove the original $50.00 and use it for something else).

4.0 APPLICATION AND SUBMISSION INFORMATION

4.1 REQUESTING AN APPLICATION PACKAGE

VDACS will post the Application Package on their website here:

http://www.vdacs.virginia.gov/sales-specialty-crop-competitive-grant-program.shtml

Alternatively, contact Melissa Ball:

804-786-5448

Melissa.ball@vdacs.virginia.gov

4.2 CONTENT AND FORM OF APPLICATION SUBMISSION

Entities interested in submitting an application for the SCBGP must submit the following components:

4.2.1 ACCOUNTING SYSTEM AND FINANCIAL CAPABILITY QUESTIONNAIRE (REQUIRED)

This form may be submitted as a PDF and must accompany the narrative and letters of support.

4.2.2 NARRATIVE (REQUIRED)

Narrative Format

Page size for the narrative must be 8.5 inches (21.59 cm) by 11 inches (27.94 cm). The acceptable font size is 11 or 12 pitch with all margins at 1 inch (2.5 cm). Narratives should be no more than 15 pages, including the budget.

Please see the “Project Profile Template” acceptable format for further guidance on preparing each project proposal.

Project Title

The title must adequately describe the project in 15 words or less.
**Requested Amount**

This amount should not exceed $60,000.

**Duration of Project**

Projects must begin on 10/1/2019 and conclude on or before 9/29/21.

**Project Partner and Summary**

Include a project summary of 250 words or less suitable for dissemination to the public. A Project Summary provides a very brief (one sentence, if possible) description of your project. A Project Summary includes:

1. The name of the applicant organization that if awarded a grant will establish an agreement or contractual relationship with the State department of agriculture to lead and execute the project,
2. A concise outline the project’s outcome(s), and
3. A description of the general tasks to be completed during the project period to fulfill this goal.

**Project Purpose**

Provide the specific issue, problem, or need that the project will address.

Provide a listing of the objectives that this project hopes to achieve.

Estimate the number of project beneficiaries.

Does this project directly benefit socially disadvantaged farmers as defined in the RFA?

Does this project directly benefit beginning farmers as defined in the RFA?

**Statement on Solely Enhancing Specialty Crops**

Applicants must confirm that the project solely enhances the competitiveness of specialty crops in accordance with and defined by 7 U.S.C. 1621. Further information regarding the definition of a specialty crop can be found at https://www.ams.usda.gov/services/grants/scbgp/specialty-crop.

**Continuation Project Information**

If your project is continuing the efforts of a previously funded SCBGP project, address the following:

Describe how this project will differ from and build on the previous efforts.

Provide a summary (3-5 sentences) of the outcomes of the previous efforts.

Provide lessons learned on potential project improvements.

- What was previously learned from implementing this project, including potential improvements?
- How are the lessons learned and improvements being incorporated into the project to make the ongoing project more effective and successful at meeting goals and outcomes?

Describe the likelihood of the project becoming self-sustaining and not indefinitely dependent on grant funds.
Other Support from Federal or State Grant Programs

The SCBGP will not fund duplicative projects. Did you submit this project to a Federal or State grant program other than the SCBGP for funding and/or is a Federal or State grant program other than the SCBGP funding the project currently?

If your project is receiving or will potentially receive funds from another federal or state grant program identify the Federal or state grant program and describe how the SCCP project differs from or supplements the other grant program(s) efforts.

External Project Support

Describe the specialty crop stakeholders who support this project and why (other than the applicant and organizations involved in the project). Do not include letters of support in this section, they should be sent as a PDF with the application.

Expected Measurable Outcomes

AMS is required to report on the outcomes of the SCBGP at a national scale to demonstrate the performance of this program. By collecting, aggregating, and reporting performance data across all states and territories, AMS can share the impact of the SCGBP with all stakeholders, including the Office of Management and Budget (OMB), Congress, the agricultural community, and the general public.

- Each project submitted in the State Plan must include at least one of the eight outcomes listed below, and at least one of the indicators listed underneath the selected outcome(s). If there are multiple sub-indicators under the selected indicator, select at least one.
- If the indicator(s) below the selected outcome(s) are not relevant to a project, a project- specific indicator(s) may be developed and will be subject to approval by AMS.
- The progress of each indicator must be reported in the Annual Performance Report and the result in the Final Performance Report.
- AMS will aggregate the data collected to assess the overall impact of the program and report to OMB and Congress on these national outcome measures.
- AMS will review the quality of the information we receive in subsequent performance reports and modify the outcomes and indicators as needed over time to lead to better results in showing the impact of the SCBGP.

Outcome Measures

Outcome 1: To enhance the competitiveness of specialty crops through increased sales

THIS IS MANDATORY FOR ALL MARKETING AND PROMOTION PROJECTS.

Outcome Definition:
Marketing and Promotion
Marketing and promotion projects focus efforts to sell, advertise, promote, market, and generate publicity, attract new customers, or raise customer awareness for specialty crops or a specialty crop venue. These include, but are not limited to:

- Uses of social media to market and promote;
- Specialty crop local, regional and national campaigns;
- Specialty crop only tradeshows;
- Website promotion and development;
- Use/development of billboards, radio, television, magazine and email ads, marketing materials such as direct mail, brochures;
- Agritourism;
- Export market development;
- Retail promotions including point-of-purchase items, labels, packaging etc.;
- Farmers market promotions; and
- Marketing and promotion campaigns with an education component directed to consumers.

The specific measure must be expressed as a dollar value and percentage increase in sales of one or more specialty crops in one or more States or foreign markets as a result of marketing and/or promotion activities. For example, an expected outcome of growth in sales from 5% to 10% is not acceptable by itself, but in combination with an increase in sales of $1 million to $2 million it is acceptable. This requirement means that an established baseline of sales in dollars must already exist at the time of application. For projects that do not already have a baseline of sales in dollars, one of the objectives of the project must be to determine such a baseline in order to meet the requirement to document the value of sales increases by the end of the project.

*Indicator:* Sales increased from $____________ to $____________ and by ________percent, as result of marketing and/or promotion activities

AMS understands that sales can be impacted by a host of unrelated issues including trade disputes, phytosanitary issues, export conditions, weather, and other factors affecting the farmer, supply chain, retailers, wholesalers and/or consumers. The above factors demonstrate that even a perfectly executed marketing campaign can result in sales remaining constant or even declining. These factors and events that either positively or negatively impacted the sales of a project can be explained in the performance report.

**Outcome 2: Enhance the competitiveness of specialty crops through increased consumption**

**Indicators:**

1. Of the ______ total number of children and youth reached,
   a. The number that gained knowledge about eating more specialty crops
   b. The number that reported an intention to eat more specialty crops
   c. The number that reported eating more specialty crops

2. Of the ______ total number of adults reached,
   a. The number that gained knowledge about eating more specialty crops
   b. The number that reported an intention to eat more specialty crops
   c. The number that reported eating more specialty crops

3. Number of new and improved technologies and processes to enhance the nutritional value and consumer acceptance of specialty crops (excluding patents) _______
4. Number of new specialty crops and/or specialty crop products introduced to consumers_____

Outcome 3: Enhance the competitiveness of specialty crops through increased access

Indicators:
1. Of the _____ total number of consumers or wholesale buyers reached,
   a. The number that gained knowledge on how to access/produce/prepare/preserve specialty crops
   b. The number that reported an intention to access/produce/prepare/preserve specialty crops
   c. The number that reported supplementing their diets with specialty crops that they
      produced/preserved/obtained/prepared
2. Of the _____ total number of individuals (culinary professionals, institutional kitchens, specialty crop
   entrepreneurs such as kitchen incubators/shared-use kitchens, etc.) reached,
   a. The number that gained knowledge on how to access/produce/prepare/preserve specialty crops
   b. The number that reported an intention to access/produce/prepare/preserve specialty crops
   c. The number that reported supplementing their diets with specialty crops that they produced/
      prepared/preserved/obtained
3. Number of existing delivery systems/access points of those reached that expanded and/or improved
   offerings of specialty crops
   a. _____ farmers markets
   b. _____ produce at corner stores
   c. _____ school food programs and other food options (vending machines, school events, etc.)
   d. _____ grocery stores
   e. _____ wholesale markets
   f. _____ food hubs that process, aggregate, distribute, or store specialty crops
   g. _____ home improvement centers with lawn and garden centers
   h. _____ lawn and garden centers
   i. _____ other systems/access points, not noted
   j. _____ total (if not reported above)
4. Number of new delivery systems/access points offering specialty crops
   a. _____ farmers markets
   b. _____ produce at corner stores
   c. _____ school food programs and other food options (vending machines, school events, etc.)
   d. _____ grocery stores
   e. _____ wholesale markets
   f. _____ food hubs that process, aggregate, distribute, or store specialty crops
   g. _____ home improvement centers with lawn and garden centers
   h. _____ lawn and garden centers
   i. _____ other systems/access points, not noted
   j. _____ total (if not reported above)

Outcome 4: Enhance the competitiveness of specialty crops through greater capacity of sustainable practices of
specialty crop production resulting in increased yield, reduced inputs, increased efficiency, increased economic
return, and/or conservation of resources.

Indicators:
1. Numbers of plant/seed releases (i.e., cultivars, drought-tolerant plants, organic, enhanced nutritional
   composition, etc.) __________
2. Adoption of best practices and technologies resulting in increased yields, reduced inputs, increased
   efficiency, increased economic return, and conservation of resources (select at least one below).
   a. Number of growers/producers indicating adoption of recommended practices __________
   b. Number of growers/producers reporting reduction in pesticides, fertilizer, water used/acre ______
   c. Number of producers reporting increased dollar returns per acre or reduced costs per acre ______
d. Number of acres in conservation tillage or acres in other best management practices ________

3. Number of habitat acres established and maintained for the mutual benefit of pollinators and specialty crops ________

Outcome 5: Enhance the competitiveness of specialty crops through more sustainable, diverse, and resilient specialty crop systems

Indicators:
1. Number of new or improved innovation models (biological, economic, business, management, etc.), technologies, networks, products, processes, etc. developed for specialty crop entities including producers, processors, distributors, etc. ________
2. Number of innovations adopted ________
3. Number of specialty crop growers/producers (and other members of the specialty crop supply chain) that have increased revenue expressed in dollars ________
4. Number of new diagnostic systems analyzing specialty crop pests and diseases. ________
   [Diagnostic systems refer to, among other things: labs, networks, procedures, access points.]
5. Number of new diagnostic technologies available for detecting plant pests and diseases ________
   [The intent here is not to count individual pieces of equipment or devices, but to enumerate technologies that add to the diagnostic capacity.]
6. Number of first responders trained in early detection and rapid response to combat plant pests and diseases ________
7. Number of viable technologies/processes developed or modified that will increase specialty crop distribution and/or production ________
8. Number of growers/producers that gained knowledge about science-based tools through outreach and education programs ________

Outcome 6: Enhance the competitiveness of specialty crops through increasing the number of viable technologies to improve food safety

Indicators:
1. Number of viable technologies developed or modified for the detection and characterization of specialty crop supply contamination from foodborne threats ________
2. Number of viable prevention, control and intervention strategies for all specialty crop production scales for foodborne threats along the production continuum ________
3. Number of individuals who learn about prevention, detection, control, and intervention food safety practices and number of those individuals who increase their food safety skills and knowledge ________
4. Number of improved prevention, detection, control, and intervention technologies ________
5. Number of reported changes in prevention, detection, control, and intervention strategies ________

Outcome 7: Enhance the competitiveness of specialty crops through increased understanding of the ecology of threats to food safety from microbial and chemical sources

Indicators:
Number of projects focused on:
1. Increased understanding of fecal indicators and pathogens ________
2. Increased safety of all inputs into the specialty crop chain ________
3. Increased understanding of the roles of humans, plants and animals as vectors ________
4. Increased understanding of preharvest and postharvest process impacts on microbial and chemical threats ________
5. Number of growers or producers obtaining on-farm food safety certifications (such as Good Agricultural Practices or Good Handling Practices) ________
Outcome 8: Enhance the competitiveness of specialty crops through enhancing or improving the economy as a result of specialty crop development.

Indicators:
1. Number of new rural careers created
2. Number of new urban careers created
3. Number of jobs maintained/created
4. Number of small businesses maintained/created
5. Increased revenue/increased savings/one-time capital purchases (in dollars)
6. Number of new beginning farmers who went into specialty crop production
7. Number of socially disadvantaged farmers who went into specialty crop production

Additional information:
- Difference between "jobs" and "careers": jobs are net gain of paid employment; new businesses created or adopted can indicate new careers.
- Beginning Farmer is an individual or entity that has not operated a farm or ranch for more than 10 years and substantially participates in the operation.
- Socially Disadvantaged Farmer is a farmer who is a member of a socially disadvantaged group. A Socially Disadvantaged Group is a group whose members have been subject to discrimination on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or a part of an individual's income is derived from any public assistance program.

Miscellaneous Outcome Measure
In the unlikely event that the outcomes and indicators above the selected outcomes are not relevant to your project, you must develop a project-specific outcome(s) and indicator(s) that will be subject to VDACS and AMS approval.

Data Collection to Report on Outcomes and Indicators

Explain how you will collect the required data to report on the outcome and indicator in the space below.

Work Plan
Project Activity: Describe the project activities that are necessary to accomplish the objectives. Make sure you include your performance monitoring/data collection activities.

Who will do the work? Indicate the project participants who will do the work of each activity, including subrecipients and/or contractors. If you request grant funds for personnel and contracts, you must include them in the work plan to demonstrate the requested funding is warranted. If you request funds for travel, these activities must also be included.

When will the activity be accomplished? Include a timeline that indicates when each activity will occur (at least month and year) and beginning and end dates for the project. Make sure the work plan timeline shows that the project will be completed within the allowable grant period.
**Budget Narrative**

All expenses described in the Budget Narrative must be associated with expenses that will be covered by the SCBGP. Applicants should review the Funding Restrictions Section prior to developing their budget narrative.

**Personnel**

List the organization’s employees whose time and effort can be specifically identified and easily and accurately traced to project activities that solely enhance the competitiveness of specialty crops. See Salaries and Wages for Allowable Costs and Activities for further guidance.

For each employee paid with SCBGP grant funds, provide the following:

- Name and title
- Level of effort (number of hours and rate)
- Total funds requested for each employee
- Include a subtotal for all SCBGP-funded Personnel costs

**Fringe Benefits**

Provide the fringe benefit rates for each of the project’s salaried employees described in the Personnel section that will be paid with SCBGP funds. This section must include the following:

- Name and title
- Fringe benefit rate
- Corresponding funds requested for each person
- A subtotal for all SCBGP-funded fringe benefit costs.

**Travel**

Explain the purpose for each trip request. Please note that travel costs are limited to those allowed by VDACS Policy 4.2 and GSA (U.S. General Services Administration). In the case of air travel, project participants must use the lowest reasonable commercial airfares.

Please provide the following information for each trip:

- Trip destination
- Purpose of trip
- Type of expense (airfare, car rental, hotel, meals, mileage, etc.)
- Number of days traveling
- Estimated number of miles and mileage rate
- Estimated ground transportation costs
- Estimated lodging and meal costs
- Number of travelers claiming expense
- Total funds requested for each expense
• Provide additional justification of travel expenses, as needed
• Include a subtotal for all SCBGP-funded travel costs

**Special Purpose Equipment**

Special Purpose Equipment is not allowed. "Special purpose equipment” is tangible, nonexpendable, personal property having a useful life of more than one year and an acquisition cost that equals or exceeds $5,000 per unit and is used only for research, medical, scientific, or other technical activities.

Rental of "general purpose equipment” must be described in this section. Purchase of general purpose equipment is not allowable under this grant. See Equipment, Buildings, and Land for definitions.

This section must include the following:
- Description of general purpose equipment item
- Justification for each item
- Indicate if each item is rented or purchased
- Total funds requested for each item.
- Include a subtotal for all SCBGP-funded equipment costs.

**Supplies**

List the materials, supplies, and fabricated parts costing less than $5,000 per unit and describe how they will support the purpose and goal of the proposal and solely enhance the competitiveness of specialty crops. See Supplies and Materials, Including Costs of Computing Devices for further information.

This section must include the following:
- Description of each supply item
- Justification for each item
- Per-unit cost of each supply
- Number of units/pieces purchased
- Total funds requested for each supply
- Include a subtotal for all SCBGP-funded supply costs

**Contractual/Consultants**

Contractual/consultant costs are the expenses associated with purchasing goods and/or procuring services performed by an individual or organization other than the applicant in the form of a procurement relationship. If there is more than one contractor or consultant, each must be described separately.

Provide a list of contractors/consultants, detailing out the name, hourly/flat rate, and overall cost of the services performed. Please note that any statutory limitations on indirect costs also apply to contractors and consultants.

Provide for each of your real or anticipated contractors listed above a description of the project activities each will accomplish to meet the objectives and outcomes of the project. Each section should also include a justification for why contractual/consultant services are to be used to meet the anticipated outcomes and objectives. Include
timelines for each activity. If contractor employee and consultant hourly rates of pay exceed the salary of a GS-15 step 10 Federal employee in your area (for more information please go to https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/), provide a justification for the expenses. This limit does not include fringe benefits, travel, indirect costs, or other expenses. See Request for Applications section Allowable and Unallowable Costs and Activities, Contractual and Consultant Costs for acceptable justifications.

Each applicant must verify that their organization will follow the same policies and procedures used for procurements from non-federal sources, which reflect applicable State and local laws and regulations and conform to the Federal laws and standards identified in 2 CFR Part 200.317 through 326, as applicable. If the contractor(s)/consultant(s) have not already been selected, the organization will follow the same requirements.

**Other**

Include any expenses not covered in any of the previous budget categories. Be sure to break down costs into cost/unit. Expenses in this section include, but are not limited to, meetings and conferences, communications, rental expenses, advertisements, publication costs, and data collection.

If you budget meal costs for reasons other than meals associated with travel per diem, provide an adequate justification to support that these costs are not entertainment costs. See Meals for further guidance.

This section must include the following:

- A description of the item
- Justification for the expense
- Per-unit cost of each item
- Number of units
- Total funds requested for each item
- Include a subtotal for all SCBGP-funded other costs

**Indirect Charges**

Indirect costs are not allowed.

**Program Income**

Program income is gross income—earned by a recipient or subrecipient under a grant—directly generated by the grant-supported activity, or earned only because of the grant agreement during the grant period of performance. Program income includes, but is not limited to, income from fees for services performed; the sale of commodities or items fabricated under an award (this includes items sold at cost if the cost of producing the item was funded in whole or partially with grant funds); registration fees for conferences, etc.

This section must include the following:

- Source/nature of program income
- Description of how you will reinvest the program income back into the project or program to solely enhance the competitiveness of specialty crops
• The estimated amount of program income

4.3 SUBMISSION DATE AND TIME

Applicants must submit applications in MS Word (PDFs are not acceptable) to Melissa.ball@vdacs.virginia.gov by 5:00 p.m. Eastern Time on March 18, 2019. VDACS will not consider applications received after this deadline for funding. All attachments (application, letters of support and accounting questionnaire) must be included in one email. It is recommended that applicants submit their application well before the deadline.

4.4 FUNDING RESTRICTIONS

4.4.1 ALLOWABLE AND UNALLOWABLE COSTS AND ACTIVITIES

All SCBGP awards are subject to the terms and conditions, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and other considerations described in the most recent SCBGP Terms and Conditions of Award.

All costs must be allowable in accordance with the applicable Federal cost principles outlined in 2 CFR part 200, Subpart E.

The following list describes specific funding restrictions under the AMS SCBGP. This section is not intended to be all-inclusive. The applicant should consult the Federal cost principles for the applicable organization for the complete explanation of the allowability of costs they address.

<table>
<thead>
<tr>
<th>Item</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advisory Councils</td>
<td><em>Unallowable</em> for costs incurred by advisory councils or committees.</td>
</tr>
<tr>
<td>Alcoholic Beverages</td>
<td><em>Unallowable</em> for alcoholic beverages.</td>
</tr>
</tbody>
</table>

  *Allowable* for projects under the SCBGP when the costs are associated with enhancing the competitiveness of an eligible processed product (products prepared or created for the purposes of promoting a specialty crop but that require other ingredients are considered a processed product). A processed product is defined as a product that constitutes greater than 50% of the specialty crop by weight, exclusive of added water.

| Buildings and Land – Construction | *Unallowable* for the acquisition of buildings, facilities, or land or to make additions, improvements, modifications, replacements, rearrangements, reinstallations, renovations or alterations of an existing building or facility (including site grading and improvement, and architecture fees). This also includes construction and construction-related materials, which may include, but are not limited to, the purchase of building materials such as wood, nails, concrete, asphalt, roofing, gravel, sand, paint, insulation, drywall, or plumbing. |

  *Allowable* for rental costs of land and building space. However, lease to own agreements (i.e., lease-to-own or rent-to-own) are not allowable. The lease or rental agreement must terminate at the end of the grant cycle.

  A building is any permanent structure designed or intended for support, enclosure, shelter or protection of people, animals, or property and having a permanent roof supported by columns or walls.
<table>
<thead>
<tr>
<th>Item</th>
<th>Description</th>
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</thead>
<tbody>
<tr>
<td><strong>Aquaponics</strong></td>
<td><em>Allowable</em> as long as the cultivated crops are eligible specialty crops and the focus of the project is on the specialty crops and not the fish.</td>
</tr>
<tr>
<td><strong>Projects that are Acceptable</strong></td>
<td>• A project to determine whether carp, catfish, or tilapia are best for growing lettuce is acceptable.</td>
</tr>
<tr>
<td></td>
<td>• A project to market broccoli grown through aquaponics is acceptable.</td>
</tr>
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<td></td>
<td>• A project to compare the quality of lettuce grown in water to lettuce grown in a greenhouse is acceptable.</td>
</tr>
<tr>
<td><strong>Projects that are NOT Acceptable</strong></td>
<td>• A project to study whether lettuce or tomato produced the highest yield of tilapia is not acceptable.</td>
</tr>
<tr>
<td></td>
<td>• A project to farm fish using an aquaponics system and then sell the fish is not acceptable.</td>
</tr>
<tr>
<td></td>
<td>• A project to grow specialty crops where both the specialty crops and the fish are sold is not acceptable.</td>
</tr>
<tr>
<td></td>
<td>For more information on constructing or purchasing an aquaponics system, see Equipment-General Purpose and Equipment – Special Purpose.</td>
</tr>
<tr>
<td><strong>Conferences</strong></td>
<td><em>Allowable</em> for costs of conferences as defined in 2 CFR § 200.432. Allowable conference costs paid by the non-Federal applicant or subapplicant as a sponsor or host of the conference may include rental of facilities, speakers’ fees, costs of meals (see Meals for restrictions) and refreshments, local transportation, and other items incidental to such conferences with the exception of entertainment costs that are unallowable. If registration fees are collected, the applicant or subapplicant must report fees as program income (See Program Income).</td>
</tr>
<tr>
<td></td>
<td>The SCBGP encourages the use of technologies such as webinars, teleconferencing, or videoconferencing as an alternative to renting a building or a room.</td>
</tr>
<tr>
<td><strong>Contingency Provisions</strong></td>
<td><em>Unallowable</em> for miscellaneous and similar rainy-day funds for events the occurrence of which cannot be foretold with certainty as to the time or intensity, or with an assurance of their happening. Unallowable for working capital for activities/items not already in place.</td>
</tr>
<tr>
<td><strong>Contractual/Consultant Costs (Professional)</strong></td>
<td><em>Allowable</em> subject to limitations below. Contractual/consultant costs are the expenses associated with purchasing goods and/or procuring services performed by an individual or organization other than the applicant in the form of a procurement relationship.</td>
</tr>
<tr>
<td></td>
<td><em>Allowable</em> for contractor/consultant employee rates that do not exceed the salary of a GS-15 step 10 Federal employee in your area (for more information please go to <a href="https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/">https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/</a>). This does not include fringe benefits, travel, indirect costs, or other expenses. Please note that any statutory limitations on indirect costs also apply to contractors and consultants.</td>
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<td>Item</td>
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<tr>
<td><strong>Item</strong></td>
<td><strong>Description</strong></td>
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<td></td>
<td>If rates exceed this amount, one of the following justifications must be provided:</td>
</tr>
</tbody>
</table>
| | • A description of the steps you took to hire a contractor, which includes obtaining a cost/price analysis. The purpose of the analysis is to review and evaluate each element of cost to determine reasonableness, allocability, and allowability.  
| | OR |
| | • Due to the complexity or uniqueness of the project, the pool of available and qualified contractors is limited. Therefore, the selected contractor’s specialized qualifications necessitate hiring at a rate beyond a GS-15 step 10. (Please outline the unique qualifications of the contractor.) |
| **Contributions and Donations** | Unallowable for contributions or donations, including cash, property, and services, from the recipient or subrecipient to other entities.  
| | • A non-profit entity using grant funds to purchase produce to donate to other entities and individuals in unallowable. |
| **Electronic Benefit Transfer (EBT) Machines** | Unallowable for the purchase/lease of Supplemental Nutrition Assistance Program (SNAP) EBT equipment.  
| | The USDA Food and Nutrition Service (FNS) has existing funding to expand the availability of SNAP EBT equipment and services at farmers markets through the Farmers Market Coalition and State SNAP agencies. Recipients should review the below options to determine which is most appropriate.  
| | • The Farmers Market Coalition provides SNAP-authorized farmers markets and direct marketing farmers with free SNAP EBT equipment.  
| | • State SNAP agencies or farmers market associations offer free SNAP EBT equipment to newly authorized farmers markets and direct marketing farmers.  
| | • FNS SNAP and Farmers Markets resources provide additional EBT information. |
| **Entertainment Costs** | Unallowable. Entertainment costs include amusement, diversion, social activities, and any costs directly associated with such costs (such as bands, orchestras, dance groups, tickets to shows, meals, lodging, rentals, transportation, and gratuities). |
| **Equipment** | Unallowable for acquisition costs of general purpose equipment or lease to own agreements (i.e., lease-to-own or rent-to-own).  
| | Allowable for rental costs of general purpose equipment. Vehicles may be leased, but not purchased. The lease or rental agreement must terminate at the end of the grant cycle.  
| | For vehicle and equipment leases or rentals with an acquisition cost that equals or exceeds $5,000, rates should be in light of such factors as: rental costs of comparable vehicles and equipment, if any; market conditions in the area; alternatives available; and |
the type, life expectancy, condition, and value of the vehicle or equipment leased.

Allowable for acquisition costs and rental costs of special purpose equipment provided the following criteria are met:

1) Necessary for the research, scientific, or other technical activities of the grant award;
2) Not otherwise reasonably available and accessible;
3) The type of equipment is normally charged as a direct cost by the organization;
4) Acquired in accordance with organizational practices;
5) Must be used only to meet the legislative purpose of the grant program and objectives of the grant award;
6) More than one single commercial organization, commercial product, or individual must benefit from the use of the equipment;
7) Must not use special purpose equipment acquired with grant funds to provide services for a fee to compete unfairly with private companies that provide equivalent services; and
8) Equipment is subject to the full range of acquisition, use, management, and disposition requirements under 2 CFR § 200.313 as applicable.

Definitions

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

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

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

*Special Purpose Equipment* is equipment used only for research, scientific, or technical activities.

<p>| Equipment – Information Technology Systems | Unallowable for information technology systems having a useful life of more than one year and a per-unit acquisition cost that equals or exceeds the lesser of the capitalization level established in accordance by Generally Accepted Accounting Principles (GAAP) by the recipient for financial statement purposes or $5,000. Acquisition costs for software includes those development costs capitalized in accordance with GAAP. |</p>
<table>
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<tr>
<th>Item</th>
<th>Description</th>
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<tbody>
<tr>
<td>Information technology systems include computing devices, ancillary</td>
<td>Information technology systems include computing devices, ancillary equipment, software, firmware, and similar procedures, services (including support services), and related resources. Computing devices means machines used to acquire, store, analyze, process, and publish data and other information electronically, including accessories (or “peripherals”) for printing, transmitting and receiving, or storing electronic information. Examples of unallowable information technology systems include service contracts, operating systems, printers, and computers that have an acquisition cost of $5,000 or more.</td>
</tr>
<tr>
<td>Fines, Penalties, Damages, and Other Settlements</td>
<td><em>Unallowable</em> for costs resulting from violations of, alleged violations of, or failure to comply with, federal, state, tribal, local, or foreign laws and regulations.</td>
</tr>
<tr>
<td>Fundraising and Investment Management Costs</td>
<td><em>Unallowable</em> for organized fundraising, including financial campaigns, solicitation of gifts and bequests, and similar expenses incurred to raise capital or obtain contributions, regardless of the purpose for which the funds will be used. This includes salaries of personnel involved in activities to raise capital.</td>
</tr>
<tr>
<td>General Costs of Government</td>
<td><em>Unallowable</em> for:</td>
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<tr>
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<td>1) Salaries and expenses of the Office of the Governor of a state or the chief executive of a local government or the chief executive of an Indian tribe;</td>
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<tr>
<td></td>
<td>2) Salaries and other expenses of a state legislature, tribal council, or similar local governmental body, such as a county supervisor, city council, school board, etc., whether incurred for purposes of legislation or executive direction;</td>
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<td>3) Costs of the judicial branch of a government;</td>
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<td>4) Costs of prosecutorial activities unless treated as a direct cost to a specific program if authorized by statute or regulation (however, this does not preclude the allowability of other legal activities of the Attorney General as described in §200.435 Defense and prosecution of criminal and civil proceedings, claims, appeals and patent infringements); and</td>
</tr>
<tr>
<td></td>
<td>5) Costs of other general types of government services normally provided to the general public, such as fire and police, unless provided for as a direct cost under a program statute or regulation.</td>
</tr>
<tr>
<td>Goods or Services for Personal Use</td>
<td><em>Unallowable</em> for costs of goods or services for personal use of the recipient’s or subrecipient’s employees regardless of whether the cost is reported as taxable income to the employees.</td>
</tr>
<tr>
<td>Health and Nutrition Messaging</td>
<td><em>Allowable</em> when health and nutrition information complies with regulations and policies of the:</td>
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<tr>
<td>Item</td>
<td>Description</td>
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<tr>
<td><strong>Federal Trade Commission</strong></td>
<td><em><a href="http://www.ftc.gov/about-ftc/bureaus-offices/bureau-consumer-protection">http://www.ftc.gov/about-ftc/bureaus-offices/bureau-consumer-protection</a></em> AND <em>U.S. Food and Drug Administration <a href="http://www.fda.gov/Food/IngredientsPackagingLabeling/LabelingNutrition/default.htm">http://www.fda.gov/Food/IngredientsPackagingLabeling/LabelingNutrition/default.htm</a>.</em> Nutrition and health claims must be truthful, not misleading or deceptive, and include adequate disclaimers if appropriate. Health and nutrition information should align with the most up-to-date Dietary Guidelines.</td>
</tr>
<tr>
<td><strong>Insurance and Indemnification</strong></td>
<td><em>Unallowable</em>, as insurance and indemnification are considered indirect costs.</td>
</tr>
<tr>
<td><strong>Lobbying</strong></td>
<td><em>Unallowable</em> as defined in 2CFR Section 200.450</td>
</tr>
<tr>
<td><strong>Meals</strong></td>
<td><em>Unallowable</em> for business meals when individuals decide to go to lunch or dinner together when no need exists for continuity of a meeting. Such activity is considered an entertainment cost. <em>Unallowable</em> for breakfasts for conference attendees because it is expected these individuals will have sufficient time to obtain this meal on their own before the conference begins in the morning. <em>Unallowable</em> for meal costs that are duplicated in meeting participant’s per diem or subsistence allowances. <em>Allowable</em> for lunch or dinner meals if the costs are reasonable and a justification is provided that such activity maintains the continuity of the meeting and to do otherwise will impose arduous conditions on the meeting participants. <em>Allowable</em> for meals consumed while in official travel status. They are considered per diem expenses and should be reimbursed in accordance with the organization’s established written travel policies.</td>
</tr>
<tr>
<td><strong>Memberships, Subscriptions, and Professional Activity Costs</strong></td>
<td><em>Unallowable</em> for costs of membership in any civic or community organization. <em>Allowable</em> for costs of membership in business, technical, and professional organizations.</td>
</tr>
<tr>
<td><strong>Organization Costs</strong></td>
<td><em>Unallowable</em> for costs of investment counsel and staff and similar expenses incurred to enhance income from investments.</td>
</tr>
<tr>
<td><strong>Participant Support Costs</strong></td>
<td><em>Allowable</em> for such items as stipends or subsistence allowances, and registration fees paid to or on behalf of participants or trainees (but not employees) in connection with training, professional development, and other similar activities.</td>
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<td>Item</td>
<td>Description</td>
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<td>approved conferences, training projects, and focus groups.</td>
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</tr>
<tr>
<td><strong>Political Activities</strong></td>
<td><em>Unallowable</em> for development or participation in political activities in accordance with provisions of the Hatch Act (<a href="https://www.law.cornell.edu/uscode/text/5/chapter-150/section-1501">5 U.S.C. 1501-1508</a> and <a href="https://www.census.gov">7324-7326</a>.)</td>
</tr>
<tr>
<td><strong>Printing and Publications</strong></td>
<td><em>Allowable</em> to pay the cost of preparing informational leaflets, reports, manuals, and publications relating to the project; however, the printing of hard copies is discouraged given the prevalence of electronic/virtual publication means.</td>
</tr>
<tr>
<td><strong>Rearrangement and Reconversion Costs</strong></td>
<td><em>Unallowable</em> as indirect costs incurred for ordinary and normal rearrangement and alteration of facilities.                                                                                         <em>Allowable</em> as direct costs with prior approval for special arrangements and alterations costs incurred specifically for the award. Rearrangement and reconversion costs are those incurred in restoring or rehabilitating the non-Federal entity’s facilities to approximately the same condition existing immediately before the start of the grant agreement, less costs related to normal wear and tear.</td>
</tr>
<tr>
<td><strong>Salaries and Wages</strong></td>
<td><em>Allowable</em> as part of employee compensation for personnel services in proportion to the amount of time or effort an employee devotes to the grant-supported project or program during the period of performance under the Federal award, including salaries, wages, and fringe benefits. Such costs must be incurred under formally established policies of the organization, be consistently applied, be reasonable for the services rendered, and be supported with adequate documentation. Salary and wage amounts charged to grant-supported projects or programs for personal services must be based on an adequate payroll distribution system that documents such distribution in accordance with generally accepted practices of like organizations. Standards for payroll distribution systems are contained in the applicable cost principles (other than those for for-profit organizations). <em>Unallowable</em> for salaries, wages, and fringe benefits for project staff that devote time and effort to non-specialty crop specific venues, tradeshows, events, meetings, programs, conventions, symposia, seminars, etc. where costs cannot be specifically identified and easily and accurately traced to activities that solely enhance the competitiveness of specialty crops. Example: Salaries and wages for a farmers’ market manager to manage and advertise a farmers market that includes non-specialty crop items is <em>Unallowable</em>, while salaries and wages for personnel to conduct a cooking demonstration on how to prepare fruits and vegetables is <em>Allowable</em>. <em>Unallowable</em> for administrative, severance or termination or other overhead costs. <em>Unallowable</em> for tuition or stipends.</td>
</tr>
<tr>
<td><strong>Selling and Marketing</strong></td>
<td><em>Unallowable</em> for costs designed solely to promote the image of an organization, general</td>
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<td>Item</td>
<td>Description</td>
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</tr>
<tr>
<td>Costs – Promotion of an Organization’s Image, Logo, or Brand Name</td>
<td>logo, or general brand rather than eligible specialty crops.</td>
</tr>
<tr>
<td></td>
<td>• A promotional campaign to increase sales of “STATE/COUNTY Grown” Watermelon is acceptable while increasing brand awareness of “XYZ Grown” generically is not.</td>
</tr>
<tr>
<td></td>
<td>• Promoting tomatoes while including an organization’s logo in the promotion is acceptable, while generally promoting an organization’s logo is not.</td>
</tr>
<tr>
<td></td>
<td>• Promotional items could say “Buy STATE/COUNTY Grown Apples” but not “XYZ Grown”, which promotes XYZ generically.</td>
</tr>
<tr>
<td></td>
<td>• A promotional campaign to increase producer sales of “STATE/COUNTY Grown fruits and vegetables” is acceptable while increasing membership in “STATE/COUNTY Grown” generally is not.</td>
</tr>
<tr>
<td>Selling and Marketing Costs – Coupons, Incentives or Other Price Discounts</td>
<td><em>Unallowable</em> for costs of the value of coupon/incentive redemptions or price discounts (e.g., the $5.00 value for a $5.00 clip-out coupon).</td>
</tr>
<tr>
<td></td>
<td><em>Allowable</em> for costs associated with printing, distribution, or promotion of coupons/tokens or price discounts (e.g., a print advertisement that contains a clip-out coupon) as long as they benefit more than a single program or organization.</td>
</tr>
<tr>
<td>Selling and Marketing Costs – Promotional Items, Gifts, Prizes, etc.</td>
<td><em>Unallowable</em> for promotional items, swag, gifts, prizes, memorabilia, and souvenirs.</td>
</tr>
<tr>
<td>Selling and Marketing Costs – Coupons, Incentives or Other Price Discounts</td>
<td><em>Unallowable</em> for costs of the value of coupon/incentive redemptions or price discounts (e.g., the $5.00 value for a $5.00 clip-out coupon).</td>
</tr>
<tr>
<td></td>
<td><em>Allowable</em> for costs associated with printing, distribution, or promotion of coupons/tokens or price discounts (e.g., a print advertisement that contains a clip-out coupon) as long as they benefit more than a single program or organization.</td>
</tr>
<tr>
<td>Selling and Marketing Costs – Food for Displays, Tastings, Cooking Demonstrations</td>
<td><em>Allowable</em> for food for displays, tastings, and cooking demonstrations with prior approval.</td>
</tr>
<tr>
<td>Selling and Marketing Costs – General Marketing Costs</td>
<td><em>Unallowable</em> for costs designed solely to promote the image of an organization, general logo, or general brand.</td>
</tr>
<tr>
<td></td>
<td><em>Allowable</em> for costs designed to promote products that align with the purpose of the grant program.</td>
</tr>
<tr>
<td>Selling and Marketing Costs – Sponsorships</td>
<td><em>Unallowable</em> for costs associated with sponsorships. A sponsorship is a form of advertising in which an organization uses grant funds to have its name and/or logo associated with certain events and where the organization does not necessarily know</td>
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<td>Item</td>
<td>Description</td>
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<tr>
<td>how the funds associated with sponsorship costs will be used. These</td>
<td>These costs also only benefit the organization offering funding, limiting the beneficiaries to the sponsor organization.</td>
</tr>
<tr>
<td>costs also only benefit the organization offering funding, limiting</td>
<td></td>
</tr>
<tr>
<td>the beneficiaries to the sponsor organization.</td>
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<tr>
<td></td>
<td><em>Unallowable</em> for the costs associated with fees for individuals or companies to have their specialty crop products placed at retail markets (i.e., slotting fees or allowances).</td>
</tr>
<tr>
<td>Selling and Marketing Costs – Use of Meeting Rooms, Space, Exhibits</td>
<td><em>Unallowable</em> for costs associated with the use of trade shows, meeting rooms, displays, demonstrations, exhibits, and the rental of space for activities that do not solely promote specialty crops.</td>
</tr>
<tr>
<td>for Non-Specialty Crop Activities</td>
<td></td>
</tr>
<tr>
<td>• Supporting the participation of raspberry and blueberry producers</td>
<td>While renting a booth space for berry producers as well as wheat producers at an international trade show is not allowable.</td>
</tr>
<tr>
<td>• Supporting the participation of farmers’ market managers at a</td>
<td>Supporting a portion of a national conference that is not specific to specialty crops is not allowable.</td>
</tr>
<tr>
<td>national conference that is not specific to specialty crops is</td>
<td>Supporting a portion of a national conference that is not specific to specialty crops is not allowable.</td>
</tr>
<tr>
<td>not allowable.</td>
<td>Funding an “XYZ State Grown” booth at a specialty crop-specific venue where all exhibitors in the booth are specialty crop producers is allowable, but funding an “XYZ Grown” booth at a non-specialty crop specific venue is not allowable.</td>
</tr>
<tr>
<td>Selling and Marketing Costs – Cookbooks, Cooking</td>
<td><em>Unallowable</em> for costs of separate complementary non-specialty crop products. A separate complementary non-specialty crop product means a product closely associated with a specialty crop product, the purchase of one encouraging consumers to buy the other (i.e., cheese and wine).</td>
</tr>
<tr>
<td>Demonstrations, Recipe Cards, Food Pairings</td>
<td><em>Allowable</em> for costs promoting the specialty crops in processed products (products prepared or created for the purposes of promoting a specialty crop but that require other ingredients are considered a processed product). A processed product is defined as a product that consists of more than 50% of the specialty crop by weight, exclusive of added water.</td>
</tr>
<tr>
<td>Supplies and Materials, Including Costs of Computing Devices</td>
<td><em>Allowable</em> for costs incurred for materials, supplies, and fabricated parts necessary to carry out a Federal award. Purchased materials and supplies must be charged at their actual prices, net of applicable credits. Withdrawals from general stores or stockrooms should be charged at their actual net cost under any recognized method of pricing inventory withdrawals, consistently applied. Incoming transportation charges are a proper part of materials and supplies costs. Only materials and supplies actually used for the performance of a Federal award may be charged as direct costs. A computing device is a supply if the acquisition cost is less than the lesser of the capitalization level established by the applicant or subapplicant for financial statement purposes or $5,000, regardless of the length of its useful life. In the specific case of computing devices, charging as direct cost is allowable for devices that are essential and allocable, but not solely dedicated, to the performance of a Federal award. Where</td>
</tr>
</tbody>
</table>
Federally-donated or furnished materials are used in performing the Federal award, such materials will be used without charge.

**Training**

*Allowable* when the training is required to meet the objectives of the project or program, including training that is related to Federal grants management.

**Travel – Domestic**

*Allowable* when the training is required to meet the objectives of the project or program, including training that is related to Federal grants management.

**Travel – Government Officials**

*Allowable* with prior approval for government officials per 2 CFR § 200.444.

**Travel - Foreign**

*Allowable.*

Foreign travel includes any travel outside the United States, and any United States territories and possessions. However, the term “foreign travel” for a U.S. governmental unit located in a foreign country means travel outside that country. Projects must provide justification for the travel. AMS recommends that recipient search the Foreign Agricultural Service database of GAIN reports (http://gain.fas.usda.gov/Pages/Default.aspx) to ensure that proposals will not duplicate information that already exists.

5.0 APPLICATION REVIEW INFORMATION

VDACS will review grant applications to ensure the plan meets the statutory purpose of the program, all application criteria are fulfilled in accordance with 4.0 Application and Submission Information, and that costs are allowable.

VDACS will notify the applicant on matters involving this application if additional information is required after the initial review of the application. Failure to provide requested information in a timely manner may result in a project not receiving funding.

The individual listed on the cover page of the application is responsible for adequately addressing all application comments and questions from VDACS prior to sending a revised application. This will help facilitate the approval of the application and reduce the number of revisions.

6.0 AWARD ADMINISTRATION INFORMATION

6.1 AWARD NOTICES

Once VDACS receives a signed grant agreement with USDA, VDACS will provide all applicants with a formal notification letter. The successful applicants will receive a Memorandum of Understanding (MOU) that sets forth pertinent information about the grant, including, but not limited to, the following:

- MOU / Reference Number;
- Statutory authority for the award and any applicable program regulations;
- Name of recipient organization;
- Name of the Recipient Project Coordinator;
- Approved period of performance start and end dates;
• Amount of funds authorized for obligation by the recipient;
• Name of the State Agency Project Manager; and
• Applicable terms and conditions of award, by either reference or inclusion
• Reimbursement schedule (a quarterly minimum)

Projects do not have to be initiated on the grant effective date, but should be initiated as soon thereafter as practical so that project goals may be achieved within the funded project period.

6.2 ADMINISTRATIVE AND NATIONAL POLICY REQUIREMENTS

6.2.1 USDA ADMINISTRATIVE REQUIREMENTS

Awards issued under this announcement are subject to the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards of 2 CFR part 200 as implemented by the USDA under 2 CFR part 400 and the most recent AMS General Terms and Conditions. An application funded with the release of Federal funds through a grant award does not constitute, or imply, compliance with Federal regulations. Grant recipients and subrecipients are responsible for ensuring that their activities comply with all applicable Federal regulations.

6.2.2 DATA UNIVERSAL NUMBER SYSTEM (DUNS) NUMBER

All applicants must have a Data Universal Number System (DUNS) number at the time of application. A DUNS number is a unique number established and assigned by Dun and Bradstreet, Inc. (D&B) to identify organizations. A DUNS number is required for every application. Potential applicants and sub-applicants may acquire a DUNS number at no cost online at http://fedgov.dnb.com/webform. To acquire a DUNS number by phone, contact the D&B Government Customer Response Center:

- U.S. and U.S. Virgin Islands: 1-866-705-5711
- Alaska and Puerto Rico: 1-800-234-3867 (Select option 2, then option 1)
- Monday – Friday 7 a.m. to 8 p.m., CST

6.2.3 SYSTEM FOR AWARD MANAGEMENT

The System for Award Management (SAM) has replaced the Central Contractor Registration (CCR) as the central government repository for organizations working with the Federal government. To receive an award under the SCBGP, applicants are required to register with SAM and, in doing so, to designate an e-Business Point of Contact (e-Business POC). SAM registration must be updated annually and be active and maintained with current information at all times during which the State department of agriculture has an active award or an application under consideration.

The e-Business POC authorizes individuals to submit grant and cooperative agreement applications on behalf of the organization and creates a special password called a Marketing Partner ID Number (M-PIN) to verify individuals authorized to submit grant applications for the organization.

Organizations that need to register in SAM for the first time or need to update their SAM registration will visit https://www.sam.gov. Questions about SAM may be directed to askSAM@gsa.gov.

6.2.4 DEBARMENT AND SUSPENSION

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Regulations published in 2 CFR part 180, as adopted and supplemented by USDA at 2 CFR part 417 describe the government-wide debarment and suspension requirements for non-procurement programs and activities. “Non-procurement” transactions include, among other things, grant agreements. VDACS implements these regulations as a term and condition of award.

6.2.5 DELINQUENCY ON FEDERAL DEBT

Any organization or individual that is indebted to the United States, and has a judgment lien filed against it for a debt to the United States, is ineligible to receive a Federal grant. Anyone who has been judged to be in default on a Federal debt and who has had a judgment lien filed against him or her should not be listed as a participant in an application for a SCBG grant until the judgment is paid in full or is otherwise satisfied. No funds may be rebudgeted following an award to pay such an individual. The Federal Agency will disallow costs charged to awards that provide funds to individuals in violation of this requirement.

6.2.6 OTHER APPLICABLE NATIONAL POLICY REQUIREMENTS

In addition to the above mentioned federal statutes and regulations that apply to grant applications considered for review and to project grants awarded under this program there are additional national policy requirements including, but are not limited to the ones listed below.

2 CFR § 25 – System for Award Management and Universal Identifier Requirements. See Appendix A to §25 – Award Term for Central Contractor Registration and Universal Identifier Requirements.

2 CFR § 170 – Reporting Subaward and Executive Compensation Information. See Appendix A to §170 – Award Term for Reporting Subawards and Executive Compensation requirements.

2 CFR § 175 – Award Term for Trafficking in Persons

2 CFR §§ 180 and 417 – OMB Guidelines to Agencies on Government-Wide Debarment and Suspension (Nonprocurement) and USDA Nonprocurement Debarment and Suspension

2 CFR § 182 – Government wide Requirements for Drug-Free Workplace (Financial Assistance)

2 CFR § 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards

2 CFR § 400 – USDA implementation of 2 CFR §200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards

2 CFR § 415 – USDA General Program Administrative Regulations

2 CFR § 416 – USDA General Program Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments

2 CFR § 417 – USDA Nonprocurement Debarment and Suspension

2 CFR § 418 – USDA implementation of New Restrictions on Lobbying

2 CFR § 421 – USDA Implementation of Government-wide Requirements for Drug-Free Workplace (Financial Assistance)

2 CFR § 422 – Research Institutions Conducting USDA-Funded Extramural Research; Research Misconduct

7 CFR § 1, subpart A – USDA implementation of the Freedom of Information Act

7 CFR § 1(b) – USDA procedures to implement the National Environmental Policy Act of 1969, as amended

7 CFR § 3 – USDA implementation of OMB Circular No. A-129 regarding debt collection
7 CFR § 15, subpart A – USDA implementation of Title VI of the Civil Rights Act of 1964, as amended, which prohibits recipients from discriminating on the basis of race, color, or national origin (42 U.S.C.§ 2000d et seq.)


8 U.S.C. Section 1324a. – Unlawful employment of aliens

29 U.S.C.§794 – Nondiscrimination under Federal grants and programs

41 U.S.C. § 22 – Interest of Member of Congress

41 U.S.C. § 4712 – Pilot program for enhancement of contractor protection from reprisal for disclosure of certain information

EO 13166, Improving Access to Services for Persons with Limited English Proficiency, take reasonable steps to ensure that LEP persons have meaningful access to programs in accordance with LEP Implementation Strategy for AMS’ Federally-Assisted Programs.

7 CFR § 331 and 9 CFR §121—USDA implementation of the Agricultural Bioterrorism Protection Act of 2002

35 U.S.C.§ 200 et seq.—Bayh Dole Act, controlling allocation of rights to inventions made by employees of small business firms and domestic nonprofit organizations, including universities, in Federally-assisted programs(implmenting regulations are contained in 37 CFR § 401).

41 CFR §§ 301-10.131 to 301-10.143 – Use of United States Flag Air Carriers, which implements the Fly America Act (49 U.S.C. 40118). Formore information see http://www.gsa.gov/portal/content/103191.

48 CFR § 25 – Foreign Acquisition, which implements the Buy American Act (41 U.S.C. Ch. 83)

48 CFR subpart 31.2 – Contracts with Commercial Organizations


Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2012, P.L. No. 112-55, Division A, Sections 738 and 739 regarding corporate felony convictions and corporate Federal tax delinquencies

6.3 ACCEPTANCE OF AN AWARD

A signature by an authorized representative of the successful applicant organization on the MOU constitutes acceptance of an award and its associated terms and conditions. VDACS must receive the original signed MOU. If a recipient cannot accept the award, including the legal obligation to perform in accordance with award terms and conditions, the recipient should notify the State Agency Project Manager immediately upon receipt of the MOU. Once the recipient accepts the award, the contents of the MOU are binding on the recipient.

6.4 REPORTING

Grant recipients are required to submit annual performance reports on the following schedule:

7.0 AGENCY CONTACTS

Applicants and other interested parties are encouraged to contact:

7.1 SCBGP PROJECT MANAGER

Ms. Melissa Ball

Phone: (804) 786-5448
Email: melissa.ball@vdacs.virginia.gov

7.2 ADDRESS

Specialty Crop Block Grant Program
Virginia Department of Agriculture & Consumer Services
Division of Marketing
102 Governor Street #315
Richmond, Virginia 23219

8.0 OTHER INFORMATION

8.1 RELEASE OF APPLICATION INFORMATION

The Freedom of Information Act (FOIA) of 1966 (5 U.S.C. 552) and the Privacy Act of 1874 (5 U.S.C. 552a), as implemented by USDA’s regulations (7 CFR part 1, Subpart A) govern the release or withholding of information to the public in connection with this award. The release of information under these laws and regulations applies only to records held by AMS and imposes no requirement on the State department of agriculture or any subrecipient to permit or deny public access to their records. You can direct requests for records or the release of information relating to this award to:

USDA, Agricultural Marketing Service
FOIA/PA Officer
Room 3521-S Ag Stop 0202
1400 Independence Ave., SW Washington, DC 20250-0273
Telephone: (202) 720-2498
Fax: (202) 690-3767
Email: AMS.FOIA@USDA.GOV

8.2 EQUAL OPPORTUNITY STATEMENT

In accordance with Federal civil rights law and USDA civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs).

Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the responsible Agency or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.
To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at How to File a Program Discrimination Complaint and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit the completed form or letter to USDA by:

(1) mail: U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410;
(2) fax: (202) 690-7442; or
(3) email: program.intake@usda.gov.

USDA is an equal opportunity provider, employer, and lender.

8.3 PROHIBITION ON USING FUNDS UNDER GRANTS AND COOPERATIVE AGREEMENTS WITH ENTITIES THAT REQUIRE CERTAIN INTERNAL CONFIDENTIALITY AGREEMENTS

By submission of its proposal or application, the applicant represents that it does not require any of its employees, contractors, or subrecipients seeking to report fraud, waste, or abuse to sign or comply with internal confidentiality agreements or statements prohibiting or otherwise restricting those employees, contractors, or subrecipients from lawfully reporting that waste, fraud, or abuse to a designated investigative or law enforcement representative of a Federal department or agency authorized to receive such information. Note that: (1) the basis for this representation is a prohibition in sections 743, 744 of the Consolidated Appropriations Act, 2016, Pub. L. 114-113, (Division E, Title VII, General Provisions Government-wide) and any successor provisions of law on making funds available through grants and cooperative agreements to entities with certain internal confidentiality agreements or statements; and (2) section 744 states that it does not contravene requirements applicable to Standard Form 312, Form 4414, or any other form issued by a Federal department or agency governing the nondisclosure of classified information

8.4 PAPERWORK REDUCTION

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 0581-0240. The time required to complete this information collection is estimated to average four 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.