

USDA SPECIALTY CROP BLOCK GRANT PROGRAM

Enhancing the Competitiveness of Specialty Crops in Virginia

Fiscal Year 2016
Guidelines and Instructions

Application Due Date:

Thursday, April 14, 2016 - 5:00 PM Eastern

Funding of these grants is dependent upon the release of USDA AMS's 2016 Notice of Funds Availability that is anticipated in April of 2016. These guidelines and instructions are based on the 2015 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 Thursday, April 14, 2016**. 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) 2016 Specialty Crop Block Grant Program (SCBGP). Projects will be reviewed, selected, 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 approximately \$390,000. 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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1.0 FUNDING OPPORTUNITY DESCRIPTION

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. specialty crops. Specialty crops are defined as fruits and vegetables, dried fruit, tree nuts, horticulture, 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;
- assisting all entities in the specialty crop distribution chain in developing “Good Agricultural Practices,” “Good Handling Practices,” “Good Manufacturing Practices,” and in cost-share arrangements for funding audits of such systems 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; and development of organic and sustainable production practices;
- increasing child and adult nutrition knowledge and consumption of specialty crops;
- improving efficiency and reducing costs of distribution systems;
- developing local and regional food systems; and
- improving food access in underserved communities.

1.3.1 PROJECTS MORE RELEVANT FOR OTHER FEDERAL GRANT PROGRAMS

Projects that support the increase 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 Grants Program* at

<http://www.nifa.usda.gov/funding/cfp/fini.html>.

Projects that support domestic farmers’ markets, roadside stands, community-supported agriculture programs, agritourism activities, other direct producer-to consumer market opportunities, 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 and Local Food Promotion Program at <http://www.ams.usda.gov/fmpp>.

Projects that support biobased products and bioenergy and energy programs, including biofuels and other alternative uses for agricultural and forestry commodities (development of biobased products) should see the USDA energy website at <http://www.usda.gov/energy/matrix/home> for information on how to submit those projects for consideration to the energy programs supported by USDA.

1.3.2 PROJECTS MORE RELEVANT FOR OTHER FEDERAL GRANT PROGRAMS

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 you want to accomplish through a series of individual activities or tasks. Examples of projects could include:

- Researching new cultivars
- 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 a workshop
- Planting specialty crops
- Distributing product promotional materials

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

The amount of approximately \$390,000 will be available to fund applications in fiscal year 2016 (FY 16) for the SCBGP.

2.4 GRANT PERIOD DURATION

VDACS will award funds for a grant period of up to 2 years in length. The grant period must begin no later than October 1, 2016 and end no later than September 29, 2018, 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 impacts 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 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.

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 company requests funds to provide a viable pollination alternative to specialty crop stakeholders in a region that currently does not have one.
- A single non-profit organization requests funds to conduct an advertising campaign that will benefit their specialty crop members.

3.4 COST-SHARING AND MATCHING

Cost-sharing or matching refers to the portion of project costs not paid by Federal funds which are claimed to meet a cost-sharing or matching requirement.

In some cases, an applicant or sub-applicant proposes cost-sharing or matching contributions as a mechanism to ensure all grant funds will solely enhance the competitiveness of eligible specialty crops. In this situation, the recipient or subrecipient of Federal funds must keep adequate records to identify and document the specific costs or contributions proposed to meet the match or cost-share, the source of funding or contributions, and document how the valuation was determined.

3.5 PROVIDE SOLUTIONS THAT LEAD TO MEASURABLE BENEFITS

VDACS will give priority to projects that include a budget line item to enable the subrecipient to measure the quantifiable outcomes of the project, including the likelihood that the project will provide solutions that lead to measurable benefits to specialty crop growers and consumers.

3.6 PROJECTS ATTEMPTING TO DISPARAGE THE WORK OF ANOTHER ORGANIZATION

Projects where one organization specifically attempts to disparage the mission, goals, and/or actions of another organization are unallowable.

3.7 COMPETITIVE GRANT APPLICATION REVIEW PROCESS

VDACS will use a competitive review process to ensure maximum public input and benefit. The competitive review process will include the use of an independent review panel of experts or qualified individuals, overseen by VDACS, to evaluate and score applications and recommend project proposals for selection. The review panel should also provide a recommended award amount for project proposals.

This includes 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 will notify successful and unsuccessful grant applicants about the outcome of the competitive process as it relates to the applicant's proposal.

VDACS review process will review funding requests carefully for activities funded previously to ensure:

- The projects are likely to become self-sustaining and not indefinitely dependent upon SCBGP 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:
 - If the applicant is a university and the research proposal will establish control techniques for a specific pecan disease, the proposal might identify that a pecan growers association supports the project because this was the organization's number one research priority.
 - 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.

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 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 10/1/2016 and conclude on or before 9/30/18.

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 www.ams.usda.gov/services/grants/scbgp

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 SCBGP 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 which 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 tradeshow;
- 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 and awareness

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 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 famers 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) which will be subject to approval by VDACS and AMS.

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 Section 4.6 Funding Restrictions 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 or % FTE)
- 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. 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 also 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 <http://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/2016/general-schedule/>), provide a justification for the expenses. This limit does not include fringe benefits, travel, indirect costs, or other expenses. See Request for Applications section 4.6.2 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 April 14, 2016. VDACS will not consider applications received after this deadline for funding. All attachments (application and letters of support) must be included in one email.

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.

Item	Description
Alcoholic Beverages	<i>Unallowable</i> for alcoholic beverages except when the costs are associated with enhancing the competitiveness of a processed product as defined above.
Aquaponics	<p><i>Allowable</i> as long as the crops that are being grown are eligible specialty crops and the focus of the project is on the specialty crops and not the fish.</p> <ul style="list-style-type: none"> • A project to determine whether carp, catfish, or tilapia are best for growing lettuce is acceptable. • A project to study whether lettuce or tomato produced the highest yield of tilapia is not acceptable. • A project to farm fish using an aquaponics system and then sell the fish is not acceptable. • A project to grow specialty crops where both the specialty crops and the fish are sold is not acceptable.
Conferences	<p><i>Allowable</i> for costs of conferences. A conference is defined as a meeting, retreat, seminar, symposium, workshop or event whose primary purpose is the dissemination of technical information beyond the non-Federal recipient or subrecipient and is necessary and reasonable for successful performance under the Federal award. Allowable conference costs paid by the non-Federal recipient or subrecipient 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 recipient or subrecipient must report fees as program income (See Program Income).</p> <p>The SCBGP encourages the use of technologies such as webinars, teleconferencing,</p>

Item	Description
	or videoconferencing as an alternative to renting a building or a room.
Construction and Renovation and Land or Building Acquisition	<p><i>Unallowable</i> 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).</p> <p>Building means any permanent structure that is designed or intended for support, enclosure, shelter or protection of person, animals or property having a permanent roof that is supported by columns or walls.</p>
Contractual/Consultant Costs (Professional)	<p><i>Allowable</i> 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.</p> <p><i>Allowable</i> 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 http://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/2015/general-schedule/). 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.</p> <p>If rates exceed this amount, one of the following justifications must be provided:</p> <p>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.</p> <p>OR</p> <p>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.)</p>
Contributions and Donations	<p><i>Unallowable</i> for contributions or donations, including cash, property, and services, from the recipient or subrecipient to other entities.</p> <ul style="list-style-type: none"> • A non-profit entity using grant funds to purchase produce to donate to other entities and individuals in unallowable.
Entertainment	<p><i>Unallowable.</i> Entertainment costs include amusement, diversion, and 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).</p>
Equipment, Buildings, and Land	<p><i>Unallowable</i> for acquisition costs of general purpose equipment, buildings and land.</p> <p><i>Allowable</i> for rental costs of general purpose equipment, buildings, and with prior approval for land. Vehicles may be leased, but not purchased.</p>

Item	Description
	<p>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.</p> <p>Equipment 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 which equals or exceeds the lesser of the capitalization level established by the non-Federal entity for financial statement purposes, or \$5,000. Recipients and subrecipients purchasing equipment are encouraged to use funds to purchase only American-made equipment or products.</p> <p>Acquisition cost means the cost of the asset including the cost to ready the asset for its intended use. Acquisition cost for equipment, for example, means the net invoice price of the equipment, including the cost of any modifications, attachments, accessories, or auxiliary apparatus necessary to make it usable for the purpose for which it is acquired.</p> <p>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 or technical activities. Examples include grape harvesters, vegetable washing machines, fruit or vegetable processing equipment, etc.</p>
Fines, Penalties, Damages, and Other Settlements	<i>Unallowable</i> for costs resulting from violations of, alleged violations of, or failure to comply with, federal, state, tribal, local, or foreign laws and regulations.
Foreign Travel	<p>For purposes of this provision, “foreign travel” includes any travel outside Canada, Mexico, the United States, and any United States territories and possessions. However, the term “foreign travel” for a governmental unit located in a foreign country means travel outside that country. An applicant with a proposal that involves foreign market development must determine if the project is more appropriate for grant programs administered by the Foreign Agricultural Service or funded through the State-Regional Trade Groups. SCBGP recommends that applicants search the Foreign Agricultural Service database of GAIN reports to ensure that proposals will not duplicate information that already exists. Any proposal involving foreign travel must be well justified.</p> <p>See Travel in this table for more information on travel costs.</p>
Fundraising	<i>Unallowable</i> 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.

Item	Description
General Costs of Government	<p><i>Unallowable</i> for:</p> <ol style="list-style-type: none"> 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; 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; 3) Costs of the judicial branch of a government; 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 <u>§200.435 Defense and prosecution of criminal and civil proceedings, claims, appeals and patent infringements</u>); and 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.
Goods or Services for Personal Use	<p><i>Unallowable</i> 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.</p>
Health and Nutrition Messaging	<p><i>Allowable</i> when health and nutrition information complies with regulations and policies of the:</p> <p><u>Federal Trade Commission</u> AND <u>U.S. Food and Drug Administration</u></p> <p>Nutrition and health claims must be truthful, not misleading or deceptive, and include adequate disclaimers if appropriate.</p>
Information Systems Technology	<p><i>Unallowable</i> for information technology systems having a useful life of more than one year and a per-unit acquisition cost which equals or exceeds the lesser of the capitalization level established in accordance by generally accepted accounting principles (GAAP) by the non-Federal recipient or subrecipient for financial statement purposes or \$5,000. Acquisition cost means the cost of the asset including the cost to ready the asset for its intended use. Acquisition costs for software includes those development costs capitalized in accordance with GAAP.</p> <p>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</p>

Item	Description
	acquisition cost of \$5,000 or more.
Insurance and Indemnification	<i>Unallowable</i> as insurance and indemnification are considered indirect costs
Lobbying	<p>The recipient should obtain an advance understanding with the SCBGP if it intends to engage in certain activities intended to influence federal, state or local government entities.</p> <p><i>Unallowable</i> for:</p> <ol style="list-style-type: none"> (1) Attempts to influence the outcomes of any federal, state, or local election, referendum, initiative, or similar procedure, through in-kind or cash contributions, endorsements, publicity, or similar activity; (2) Establishing, administering, contributing to, or paying the expenses of a political party, campaign, political action committee, or other organization established for the purpose of influencing the outcomes of elections in the United States; (3) Any attempt to influence: <ol style="list-style-type: none"> a) The introduction of federal or state legislation; b) The enactment or modification of any pending federal or state legislation through communication with any member or employee of the Congress or state legislature (including efforts to influence state or local officials to engage in similar lobbying activity); c) The enactment or modification of any pending federal or state legislation by preparing, distributing, or using publicity or propaganda, or by urging members of the general public, or any segment thereof, to contribute to or participate in any mass demonstration, march, rally, fund raising drive, lobbying campaign or letter writing or telephone campaign; or d) Any government official or employee in connection with a decision to sign or veto enrolled legislation; (4) Legislative liaison activities, including attendance at legislative sessions or committee hearings, gathering information regarding legislation, and analyzing the effect of legislation, when such activities are carried on in support of or in knowing preparation for an effort to engage in unallowable lobbying. <p><i>Allowable</i> activities directly related to the performance of a grant include:</p> <ol style="list-style-type: none"> (1) Technical and factual presentations on topics directly related to the performance of a grant, contract, or other agreement (through hearing testimony, statements, or letters to the Congress or a state legislature, or subdivision, member, or cognizant staff member thereof), in response to a documented request (including a Congressional Record notice requesting

Item	Description
	<p>testimony or statements for the record at a regularly scheduled hearing) made by the non-Federal entity's member of congress, legislative body or a subdivision, or a cognizant staff member thereof, provided such information is readily obtainable and can be readily put in deliverable form, and further provided that costs under this section for travel, lodging or meals are <i>Unallowable</i> unless incurred to offer testimony at a regularly scheduled Congressional hearing pursuant to a written request for such presentation made by the Chairman or Ranking Minority Member of the Committee or Subcommittee conducting such hearings;</p> <p>(2) Any lobbying made <i>Unallowable</i> by paragraph (c)(1)(iii) of this section to influence state legislation in order to directly reduce the cost, or to avoid material impairment of the non-Federal entity's authority to perform the grant, contract, or other agreement; or</p> <p>(3) Any activity specifically authorized by statute to be undertaken with funds from the Federal award.</p> <p>(4) Any activity excepted from the definitions of "lobbying" or "influencing legislation" by the Internal Revenue Code provisions that require nonprofit organizations to limit their participation in direct and "grass roots" lobbying activities in order to retain their charitable deduction status and avoid punitive excise taxes, I.R.C. §§501(c)(3), 501(h),</p> <p>(5) 4911(a), including:</p> <p>a) Nonpartisan analysis, study, or research reports;</p> <p>b) Examinations and discussions of broad social, economic, and similar problems; and</p> <p>c) Information provided upon request by a legislator for technical advice and assistance, as defined by I.R.C. §4911(d)(2) and 26 CFR 56.4911-2(c)(1)-(c)(3).</p>
Meals	<p><i>Unallowable</i> 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.</p> <p><i>Unallowable</i> 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.</p> <p><i>Unallowable</i> for meal costs that are duplicated in meeting participant's per diem or subsistence allowances.</p> <p><i>Allowable</i> 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.</p> <p><i>Allowable</i> for meals consumed while in official travel status. They are considered per</p>

Item	Description
	<p>diem expenses and should be reimbursed in accordance with the organization's established written travel policies.</p>
<p>Memberships, Subscriptions, and Professional Activity</p>	<p><i>Unallowable</i> for costs of membership in any civic or community organization. <i>Allowable</i> for costs of membership in business, technical, and professional organizations.</p>
<p>Participant Support Costs</p>	<p><i>Allowable</i> 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 approved conferences, training projects, and focus groups.</p>
<p>Political Activities</p>	<p><i>Unallowable</i> for development or participation in political activities in accordance with provisions of the Hatch Act (5 U.S.C. 1501-1508 and 7324-7326).</p>
<p>Rearrangement and Reconversion Costs</p>	<p><i>Unallowable</i> as indirect costs incurred for ordinary and normal rearrangement and alteration of facilities. <i>Allowable</i> as direct costs with prior approval for special arrangements and alterations costs incurred specifically for the award.</p>
<p>Salaries and Wages</p>	<p><i>Allowable</i> 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.</p> <p>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).</p> <p><i>Unallowable</i> for salaries, wages and fringe benefits for project staff that devote time and effort to non-specialty crop specific venues, tradeshow, 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.</p> <p>Tuition is an unallowable expense as part of compensation.</p> <ul style="list-style-type: none"> • Example: Salaries and wages for a farmers' market manager to manage and advertise a farmers market that includes non-specialty crop items is <i>Unallowable</i>, while salaries and wages for personnel to conduct a cooking demonstration on how to prepare fruits and vegetables is <i>Allowable</i>.
<p>Selling and Marketing Costs</p>	<p><i>Allowable</i> if the primary purpose is to promote the sale of an eligible specialty crop by either stimulating interest in a particular specialty crop or disseminating</p>

Item	Description
	<p>technical information or messages for the purpose of increasing market share for the specialty crops.</p>
<p>Selling and Marketing Costs – Promotion of an Organization’s Image, Logo, or Brand Name</p>	<p><i>Unallowable</i> for selling and marketing costs designed solely to promote the image of an organization, general logo, or general brand rather than eligible specialty crops.</p> <ul style="list-style-type: none"> • A promotional campaign to increase sales of “XYZ Grown” Watermelon is acceptable while increasing brand awareness of “XYZ Grown” generically is not. • Promoting tomatoes while including an organization’s logo in the promotion is acceptable, while generally promoting an organization’s logo is not. • Promotional items could say “Buy XYZ Grown Apples” but not “XYZ Grown”, which promotes XYZ generically. • A promotional campaign to increase producer sales of “XYZ Grown fruits and vegetables” is acceptable while increasing membership in “XYZ Grown” generically is not.
<p>Selling and Marketing Costs – Promotion of Non-Specialty Crop Activities</p>	<p><i>Unallowable</i> for selling and marketing costs for promotion at non-specialty crop specific venues, tradeshow, events, meetings, programs, conventions, symposia, seminars, etc.</p> <ul style="list-style-type: none"> • Advertisements could say “Buy Sweet Corn! It is the Best!” but not “Buy Local!” • Advertising educational sessions at a conference that solely benefits specialty crop growers are acceptable, while advertising a non-specialty crop specific local food conference is not.
<p>Selling and Marketing Costs – Promotional Items, Gifts, Prizes, etc.</p>	<p><i>Unallowable</i> for promotional items, swag, gifts, prizes, memorabilia, and souvenirs.</p>
<p>Selling and Marketing Costs - Sponsorships</p>	<p><i>Unallowable</i> 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 how the funds associated with sponsorship costs will be used. These costs are considered a contribution or donation and only benefit the organization offering funding. This limits the beneficiaries to the sponsor organization, which conflicts with the restriction that projects affect and produce measurable outcomes for the specialty crop industry and/or the public rather than a single organization, institution, or individual.</p>
<p>Selling and Marketing Costs – Coupons, Incentives, or Other Price</p>	<p><i>Unallowable</i> for costs of coupon/incentive redemptions or price discounts. Costs associated with printing, distribution, or promotion of coupons/tokens or price discounts (i.e., a print advertisement that contains a clip-out coupon) are allowable only if they solely promote the specialty crop rather than promote or benefit a</p>

Item	Description
Discounts	<p>program or single organization.</p> <p>See also Participant Support Costs.</p>
Selling and Marketing Costs – Use of Meeting Rooms, Space, Exhibits for Non-Specialty Crop Activities	<p><i>Unallowable</i> 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.</p> <ul style="list-style-type: none"> • Supporting the participation of raspberry and blueberry producers at a non-specialty crop specific international trade show to promote berries to an international audience is <i>Allowable</i>, while renting a booth space for berry producers as well as wheat producers at an international trade show is not <i>Allowable</i>. • Supporting the participation of farmers’ market managers at a national conference that is not specific to specialty crops is not allowable. • Supporting a portion of a national conference that is not specific to specialty crops is not allowable, while supporting a session on specialty crops at a national conference that is not specific to specialty crops is allowable. • 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.
Selling and Marketing Costs – Cookbooks, Cooking Demonstrations, Recipe Cards, Food Pairings	<p><i>Allowable</i> 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 constitutes greater than 50% of the specialty crop by weight, exclusive of added water.</p> <p><i>Unallowable</i> 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).</p>
Supplies and Materials, Including Costs of Computing Devices	<p><i>Allowable</i> 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.</p> <p>A computing device is a supply if the acquisition cost is less than the lesser of the capitalization level established by the recipient or subrecipient 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 <i>Allowable</i> for devices that are essential</p>

Item	Description
	<p>and allocable, but not solely dedicated, to the performance of a Federal award. Where federally-donated or furnished materials are used in performing the Federal award, such materials will be used without charge.</p>
<p>Training</p>	<p><i>Allowable</i> for the State department of agriculture recipient when training is directly related to Federal grants management in proportion to the amount of time and effort expended by the trainee on the grant program.</p> <p><i>Allowable</i> when the training is required to meet the objectives of the project or program.</p>
<p>Travel</p>	<p><i>Allowable</i> when travel costs are limited to those allowed by VDACS policy 4.2. In the case of air travel, the lowest reasonable commercial airfares must be used.</p> <p><i>Allowable</i> with prior approval for government officials per <u>2 CFR part 200.444</u>.</p> <p><i>Allowable</i> travel costs may not exceed those established by the Federal Travel Regulation, issued by GSA, including the maximum per diem and subsistence rates prescribed in those regulations. This information is available at http://www.gsa.gov. If a recipient or subrecipient organization has no formal travel policy, those regulations will be used to determine the amount that may be charged for travel costs.</p> <p>Recipients and subrecipients are strongly encouraged to take advantage of discount fares for airline travel through advance purchase of tickets if travel schedules can be planned in advance.</p> <p>Consideration should be given to the use of alternative technologies such as teleconferencing or videoconferencing if they are available, appropriate for the project, and less costly.</p> <p><i>Unallowable</i> for travel costs for conferences, venues, tradeshow, events, meetings, programs, conventions, symposia, workshops seminars, etc. that include non-specialty crop activities such as farmers' market annual conferences and general marketing tradeshow where these costs cannot be specifically identified and easily and accurately traced to activities that solely enhance the competitiveness of specialty crops.</p> <ul style="list-style-type: none"> • Example: Travel costs for personnel to travel to a farmers' market conference is unallowable, while travel to a vegetable food safety educational session is allowable.

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. If applicants request to extend funding for previously funded projects, VDACS will review expected measurable outcomes from the previously funded projects to ensure they ultimately led the applicant organization and/or project beneficiaries to continued improvement, effectiveness, and success.

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 [SCBGP General Award 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

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 SCBGP 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 part 25](#) – *System for Award Management and Universal Identifier Requirements*

[2 CFR part 175](#) – *Award Term for Trafficking in Persons*, which is the implementation of the Trafficking Victims Protection Act of 2000, as amended ([22 U.S.C. 7104\(g\)](#))

[2 CFR part 415](#) – *USDA General Program Administrative Regulations*

[2 CFR part 416](#) – *USDA General Program Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments*

[2 CFR part 418](#) – *USDA implementation of Restrictions on Lobbying*

Imposes prohibitions and requirements for disclosure and certification related to lobbying on recipients of federal contracts, grants, cooperative agreements, and loans.

[2 CFR part 421](#) – *USDA Implementation of Government-wide Requirements for Drug-Free Workplace (Financial Assistance)*

[2 CFR part 422](#) – *Research Institutions Conducting USDA-Funded Extramural Research; Research Misconduct*

[7 CFR part 1, subpart A](#) – USDA implementation of the *Freedom of Information Act*

[7 CFR part 1b](#) – USDA procedures to implement the *National Environmental Policy Act of 1969*, as amended

[7 CFR part 3](#) – USDA implementation of *OMB Circular No. A-129* regarding debt collection

[7 CFR part 15, subpart A](#) – USDA implementation of Title VI of the *Civil Rights Act of 1964*, as amended

[7 CFR part 331](#) and [9 CFR part 121](#)—USDA implementation of the *Agricultural Bioterrorism Protection Act of 2002*

[37 CFR part 401](#) – *Rights to Inventions made by Nonprofit Organizations and Small Business Firms under Government Grants, Contracts, and Cooperative Agreements*

The implementation of the *Bayh Dole Act* ([35 U.S.C. 200 et seq.](#)) controlling allocation of rights to inventions made by employees of small business firms and domestic nonprofit organizations, including universities, in federally-assisted programs (implementing regulations are contained in).

[41 CFR part 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](#))

[48 CFR part 25](#) – *Foreign Acquisition*, which implements the *Buy American Act* ([41 U.S.C. Ch. 83](#))

[48 CFR subpart 31.2](#) – *Contracts with Commercial Organizations*

[44 U.S.C. 3541 et seq. \(Pub. L. 107-347\)](#) – *Federal Information System Security Management Act of 2002* (FISMA)

An Act designed to improve computer and network security within the Federal Government. Applies to awardees if it will collect, store, process, transmit, or use information on behalf of AMS.

Motor Vehicle Safety –

- *Highway Safety Act of 1966*, as amended ([23 U.S.C. 402](#) & [403](#));
- *Government Organization and Employees Act*, as amended ([5 U.S.C. 7902 \(c\)](#));
- *Occupational Safety and Health Act of 1970*, as amended ([29 U.S.C. 668](#));
- *Federal Property and Administrative Services Act of 1949*, as amended ([40 U.S.C. 101, et seq.](#));
- *Increasing Seat Belt Use in the United States* ([E.O. 13043](#)); and
- *Federal Leadership on Reducing Text Messaging While Driving* ([E.O. 13513](#))

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:

Progress Report:	10/1/2016 – 9/30/2017	Due October 30, 2017
Final Report:	10/1/2016 – 9/30/2018	Due October 30, 2018

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 1974 ([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

The USDA prohibits discrimination in all of its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, political beliefs, genetic information, reprisal, or because all or part of an individual's income is derived from any public assistance program.

Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD).

To file a complaint of discrimination, write to:

USDA, Assistant Secretary for Civil Rights
Office of the Assistant Secretary for Civil Rights
1400 Independence Avenue,
S.W. Stop 9410
Washington, DC 20250-9410 or call toll-free:

English: (866) 632-9992

TTD: (800) 877-8339

English Federal-relay: (866) 377-8642

Spanish Federal-relay: (800) 845-6136.