**Alaska’s 2021 Specialty Crop Block Grant Program**

Fiscal year 2021 Request for Proposals

Alaska’s Division of Agriculture announces the availability of grant funds for the purpose of enhancing the competitiveness of Alaska’s specialty crops including fruits, vegetables, horticulture, and nursery crops. These funds are awarded through a competitive review process guided by industry, nonprofit and government stakeholders.

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# Timeline

The Alaska Division of Agriculture announces the availability of grant funds for the sole purpose of enhancing Alaska Grown specialty crops.

The timeline for this application cycle is:

|  |
| --- |
| February 11, 2021: 2021 SCBG Announcement via Facebook Live |
| February 16, 2021: Release RFP |
| February 18, 2021: Information Session 10:00am – 11:00am  February 22, 2021: Information Session 2:00pm – 3:00pm  Information to join the webinar will be posted on the Division of Agriculture’s Grants  webpage: <http://dnr.alaska.gov/ag/ag_grants.htm> |
| March 22, 2021: Letter of Intent (LOI) due by 5:00pm |
| April 1, 2021: LOI feedback returned to applicants |
| May 3, 2021: Full applications due by 5:00pm |
| May 12, 2021: Final decisions made |
| May 20, 2021: State plan submitted to USDA (some adjustments to projects may be required by AMS at this point) |
| Fall, 2021: Funds disbursed from USDA (exact date TBD) |

# Contact

Amanda Swanson

Please make sure any correspondence has **SCBG** in the subject line.

Preferred method of contact – email: [amanda.swanson@alaska.gov](mailto:amanda.swanson@alaska.gov)

Alternate: 907-761-3869

Address: 1801 S Margaret Dr, Ste 12

Palmer, AK 99645

Fax: 907-745-7112

**Letters of Intent and Applications are to be submitted electronically to** [**dnr.scbg@alaska.gov**](mailto:dnr.scbg@alaska.gov)

# Program overview

## Funding Source and Available Funds

USDA Agricultural Marketing Service (AMS) distributes block grant funds annually, which are administered by state departments/divisions of agriculture to enhance the competitiveness of specialty crops. AMS has announced 2021 Specialty Crop Block Grant Program (SCBGP) funding availability, and the Division intends to grant multiple projects.

Specialty crops are defined as fruits and vegetables, dried fruit, tree nuts, and nursery crops (including floriculture and turf production). USDA maintains a list of eligible specialty crops on its website: <https://www.ams.usda.gov/services/grants/scbgp/specialty-crop>. AMS encourages projects that enhance the competitiveness of specialty crops, sustain the livelihoods of American farmers, and strengthen local economies.

Projects that demonstrate innovative partnerships are encouraged. Applications that build on a previously funded SCBGP project may be submitted; in such cases, the application should clearly indicate how the project complements previous work. Applications for grant funds should show how the project impacts multiple businesses in the specialty crop supply chain and/or produces measurable outcomes for the specialty crop industry, rather than a single organization, institution, or individual. Additional consideration will be given to proposals that address the impact of the COVID-19 pandemic on specialty crop production as it relates to increasing farm income security and local food availability of specialty crops.

Alaska SCBGP funds will be distributed to the specialty crop industry through a competitive review process. Grants must follow USDA guidelines for eligible spending. Guidelines are available at: <https://www.ams.usda.gov/services/grants/scbgp> and are briefly covered in [Appendix C](#_Allowable_Costs_and).

Funding has been approved through the 2018 Farm Bill and awarded from United States Department of Agriculture, Agricultural Marketing Service (USDA, AMS).

## New for SCBGP 2021

The SCBG national program was funded by Congress at $75 million dollars. Alaska will receive a portion of these funds, to be determined by USDA/AMS. This is based on population, number of farms, and specialty crop production. Additional funding for the 2021 SCBG was included as additional support for COVID19 mitigation, and additional funds may be available later this year.

### Organization

The classifications of Tier I and Tier II were removed in 2018.

### Matching Funds

Matching funds are not required if the award amount will cover the entire budget for the project. If the project budget exceeds the award amount, then an explanation of how those expenses will be met is needed.

### Indirect Costs

As of 2019 Indirect Costs are no longer allowed.

# Project Organization

For 2021, project proposals may be funded at a level consistent with the merit and impact of the project. Typically, the maximum funding is $60,000. We recommend the following parameters: smaller awards are designed for small exploratory projects, and more substantial awards are designed for industry wide impact using evidence-based research or building on previous projects with strong industry support.

## Budget Guidance

Investigative projects are expected to be entry level in concept, such as feasibility studies or small variety trial plots. Such projects that are completed successfully and considered to be in good standing with the granting agency will be considered competitive applications for future projects that expand upon the initial concept. We recommend that they be close to one year in duration – noting that funding typically arrives in late Fall 2021. Therefore, if the project can commence during the winter months, a contract could be in place from November 2021 – October 2022. If the project is set to start during the growing season, a contract could be in place from May 2022 – April 2023. Please list individual specialty crop producers as well as all organizations that formally support your project and include a letter of support from at least one entity.

*Investigative project example:*

* *A group of producers submit a proposal to conduct research on the feasibility of planting, cultivating, and growing a specialty crop in a particular area, the results of which can be shared with growers throughout the State.*

Projects requesting more funds are expected to be professional level in concept, drawing from evidence-based research and expertise. Research based projects will likely build upon a previously tested concept and will show strong industry support. They can be for up to two years and 6 months in duration – noting that funding typically arrives in October. Therefore, if the project can commence during the winter months, a contract could be in place from November 2021 – April 2024. If the project is set to start during the growing season, a contract could be in place from May 2022 – October 2024.

*Research-based project example:*

* *An organization requests grant funds to help improve and expand new markets which benefit a wide array of specialty crop producers.*

|  |  |
| --- | --- |
| Funding maximum: | $60,000 |
| Minimum number of producers impacted: | 10 |
| Maximum duration of project: | 2 years, 6 months |
| Industry Professional Partner: | Required, must be identified in the project proposal |
| Letter of Support: | At least one letter of support |

*Examples of Unacceptable Projects:*

* *A company requests grant funds to purchase starter plants or equipment used to plant, cultivate, and grow a specialty crop for the purpose of making a profit, or to expand production of a single business.*
* *Requests by individual specialty crop businesses or roadside stands to promote their individual business.*

## Eligibility

Any entity may apply, but **projects must benefit more than one individual, business, or organization.**

* Proposed project benefits must benefit the specialty crop industry and align with program requirements, including funding restrictions.
* Projects must enhance the competitiveness of U.S. or U.S. territory-grown specialty crops in either domestic or foreign markets. Visit <https://www.ams.usda.gov/services/grants/scbgp/specialty-crop> for 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 enhancing the competitiveness of eligible specialty crops.
* Applications should describe how the project potentially affects and produces measurable outcomes for the specialty crop industry and/or the public rather than a single business, organization, or individual. AMS will not fund projects that benefit a particular commercial product or provide a profit to a single business, organization, or individual. Single businesses, organizations, or individuals are encouraged to participate as project partners.
* If matching funds will serve as a mechanism to ensure all grant funds will enhance the competitiveness of eligible specialty crops, the recipient must keep adequate records to identify and document the specific costs or contributions proposed to meet the match or cost-share and the source of funding or contributions as well as document how the valuation was determined.
* Applicants with previous participation that have incomplete or unsatisfactory performance may be ruled ineligible for participation at the sole discretion of the Division of Agriculture.
* The Division of Agriculture strongly encourages projects proposing innovative partnerships that will develop new knowledge to strengthen specialty crop producers’ operations.
* Multi-state projects that address challenges and opportunities that cross state boundaries are eligible.

# State Funding Priorities

The Alaska Division of Agriculture, in partnership with statewide specialty crop stakeholders, has identified the following program funding priorities for 2021. **Funding priorities are listed in no particular order of importance and are not ranked.**

* Projects focused on specialty crops or regions of the state not previously funded in prior grant rounds.
* Projects focused on improving food security in the State of Alaska through the Specialty Crop industry's development, including increased local production, processing, storage, and distribution of crops grown in the state.
* Food safety – including the handling, preparation, transport, storage, or education of specialty crops and reduction of foodborne illness.
* Innovative production projects, including ways to increase production efficiencies and optimizations, sustainability, handling, preparation, and transportation methods.
* Market access of Specialty Crops
* Research on specific crop production optimization, efficiencies, and viability.
* Projects addressing the impact of COVID-19 on production, markets, and access to Specialty Crops.

The Division of Agriculture strongly encourages projects proposing **innovative partnerships between researchers and producers** that will develop new knowledge to strengthen specialty crop producers’ operations.

# Letter of Intent Outline

Your Letter of Intent (LOI) must be submitted by **5:00pm, Monday, March 22, 2021**. The LOI should be submitted to the Division of Agriculture at [dnr.scbg@alaska.gov](mailto:dnr.scbg@alaska.gov). For questions, please contact Amanda Swanson: preferred method of contact, [amanda.swanson@alaska.gov](mailto:amanda.swanson@alaska.gov?subject=SCBG), alternative contact: 907-761-3869.

## Applicant Information

Applicants will need to provide their Name, Business or Organization, Mailing Address, Phone Number, and Email Address. You need to self-certify that you are in compliance with State regulations and in good standing with the State of Alaska.

## Project Information

*Provide a concise project summary that addresses the following points:*

1. Which best describes you, the lead applicant? (Choose only one)

**Nonprofit  University Researcher  University Extension Services**

**Producer  Producer Association or Cooperative**

**State Agency or Department  Other**

1. Identify the specialty crop industry need that your project is addressing and which state funding priorities your project will address. [State funding priorities can be found here](#_state_funding_priorities).
2. Select the outcome measure(s) that are applicable to your project from the list below.

**Outcome 1:** Enhance the competitiveness of specialty crops through increased sales (required for marketing projects).

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

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

**Outcome 4:** Enhance the competitiveness of specialty crops though 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.

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

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

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

**Outcome 8:** Enhance the competitiveness of specialty crops through enhancing or improving the economy as a result of specialty crop development.

1. Project title, duration, and proposed start date. Start dates must be after funds have been received at the Division, which is typically in October. Duration Maximum: 2 years, 6 months
2. Has this project been funded previously? If so, why is additional funding needed?
3. Project Summary and Purpose (maximum 500 words)

* Provide a brief description of your project including the specific issue, problem, or need your project will address. Include the objectives this project hopes to achieve.

## Estimated Project Budget

*Provide the estimated budget for this project, including funding from other sources, using the template below.*

| **Estimated Budget Summary** | | |
| --- | --- | --- |
| **Expense Category** | | **Funds Requested** |
| Personnel | |  |
| Fringe Benefits | |  |
| Travel | |  |
| Equipment | |  |
| Supplies | |  |
| Contractual | |  |
| Other | |  |
| **Direct Costs Subtotal**  ***(Add together the above totals)*** | |  |
| Match Dollars | |  |
|  | **Total Budget**  ***(Direct Costs Subtotal + Match Dollars)*** |  |

## Project Support

For all projects, an industry professional as a partner on the project is required. An industry professional would be an individual trained or experienced specifically in the field of agriculture, other science or business that has shown success in related pursuits, preferably the Specialty Crop Industry. Please include contact information for this person.

In addition to the industry professional component explained above, it is expected that projects will also have the support of other industry organizations, groups of farmers, and individual specialty crop producers. Please list all partner organizations that are formally participating with you on this project. If you are the only formally participating organization, please make that clear. Please list individual specialty crop producers as well as all organizations that formally support your project and include a letter of support from at least one entity.

## Review Process

All potential applicants are required to submit a Letter of Intent (LOI) to the Division by 5:00pm, March 22, 2021. Please read the scoring criteria below to ensure that your LOI addresses the areas that will be evaluated by the review committee. Projects will be reviewed and ranked based on the information provided in the LOI. The Division will select which projects will submit a full application. **Applicants who have previously participated in the SCBGP and have an incomplete or unsatisfactory performance record may be ruled ineligible for participation at the sole discretion of the Division of Agriculture.**

# Scoring Criteria for Letter of Intent

Letters of Intent will be evaluated for completeness whether they meet the grant requirements for consideration and how they address the priorities for the State. Feedback will be provided and applicants meeting the criteria will be invited to apply.

## Total Points Available: 100 points

### Proposal Summary: 20 points

The Letter of Intent is complete and thorough, addressing all format criteria. The project proposal is clear, the need is demonstrated, and the methodology stated.

### Industry Need/Project Impact: 30 points

The proposed project responds to a specialty crop industry need and demonstrates the ability to impact that need. The project includes a strong monitoring and evaluation plan and explains clearly how outcomes will be measured. USDA Outcome Indicators are selected and clearly relate to project proposal. Expected project impacts are realistic and clearly stated.

### Budget: 30 points

Budget aligns well with project, with no abnormal outlying costs. Work plan and budget are realistic. Please review eligible cost section (Appendix A, page 10).

### Project Support: 20 points

The proposed project demonstrates that there is broad industry support for the project. Letters of support and/or formal commitments from all project partners are included. Applicant has sufficient organizational support to see project to completion.

# Application Instructions

Only applicants that have submitted a Letter of Intent and have been invited to apply may submit a full application. The Division of Agriculture will notify those applicants eligible to submit a full application by April 1, 2021.

Successful applicants should electronically submit the full application to the Division of Agriculture in a digital format **(Word document, .docx or .doc file type, or Adobe Acrobat .pdf file)** by **5:00pm Monday, May 3, 2021**. Files should be submitted to the Division of Agriculture at [dnr.scbg@alaska.gov](mailto:dnr.scbg@alaska.gov?subject=Application%20Submittal).

For specific questions, please email Amanda Swanson at [amanda.swanson@alaska.gov](mailto:amanda.swanson@alaska.gov?subject=SCBG), alternate: 907-761-3869.

**Be sure to consider the** [**Application Scoring Criteria**](#_application_scoring_criteria) **before completing your application.**

SCBGP Project Profile Template

All project proposals must use the following template. The acceptable font size for the narrative is 11 or 12 pitch with all margins at 1 inch. The following information must be included in each project proposal. This template is required to meet the requirements of developing the State Plan and USDA/AMS evaluation for approval.

# Project Title

*Provide a descriptive project title in 15 words or less in the space below.*

# Duration of Project

**Start Date:** Start Date **End Date:** End Date

# 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.*

**FOR EXAMPLE:**

*The ABC University will mitigate the spread of citrus greening (Huanglongbing) by developing scientifically based practical measures to implement in a quarantine area and disseminating results to stakeholders through grower meetings and field days.*

# 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

*Add more objectives by copying and pasting the existing listing or delete objectives that are not necessary.*

**Objective 1:**

**Objective 2:**

**Objective 3:**

**Objective 4:**

***Add other objectives as necessary:***

## Project Beneficiaries

**Estimate the number of project beneficiaries:** *Enter the Number of Beneficiaries*

**Does this project directly benefit socially disadvantaged farmers as defined in** [**Appendix A**](#_Additional_Information)**?  Yes  No**

**Does this project directly benefit beginning farmers as defined in** [**Appendix A**](#_Definitions)**?  Yes  No**

## Statement of Enhancing Specialty Crops

|  |  |
| --- | --- |
| By checking the box to the right, I confirm that this project enhances the competitiveness of specialty crops in accordance with and defined by the Farm Bill. Further information regarding the definition of a specialty crop can be found at <https://www.ams.usda.gov/services/grants/scbgp/specialty-crop>. |  |

## Continuation of Project Information

**Does this project continue the efforts of a previously funded SCBGP project?  Yes  No**

*If you have selected “yes”, please address the following:*

### Describe How This Project Will Differ from and Build on the Previous Efforts

### Provide a Summary (3 to 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?  Yes  No

### If Your Project Is Receiving or Will Potentially Receive Funds from Another Federal or State Grant Program

**Identify the Federal or State grant program(s).**

**Describe how the SCBGP 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).*

# Expected Measurable Outcomes

*You must choose at least one of the eight outcomes listed in the* [*SCBGP Performance Measures*](https://www.ams.usda.gov/sites/default/files/media/SCBGP%20FY15%20PerformanceFINAL_10272015.pdf)*, which were approved by the Office of Management and Budget (OMB) to evaluate the performance of the SCBGP on a national level. Refer to* [*Appendix A*](#_appendix_a) *for further information.*

## Outcome Measure(s)

*Select the outcome measure(s) that are applicable for this project from the listing below.*

**Outcome 1:** Enhance the competitiveness of specialty crops through increased sales (required for marketing projects)

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

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

**Outcome 4:** Enhance the competitiveness of specialty crops though 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

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

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

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

**Outcome 8:** Enhance the competitiveness of specialty crops through enhancing or improving the economy as a result of specialty crop development

## Outcome Indicator(s)

*Provide at least one indicator listed in the* [*SCBGP Performance Measures*](https://www.ams.usda.gov/sites/default/files/media/SCBGP%20FY15%20PerformanceFINAL_10272015.pdf) *and the related quantifiable result. If you have multiple outcomes and/or indicators, repeat this for each outcome/indicator. Refer to* [*Appendix A*](#_appendix_a) *for further information.*

**FOR EXAMPLE:**

***Outcome 2, Indicator 1.a*** *–*

*Of the 150, total number of children and youth reached, 132 will gain knowledge about eating more specialty crops.*

## 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 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.*

# Budget Narrative

*All expenses described in this Budget Narrative must be associated with expenses that will be covered by the SCBGP. If any matching funds will be used, a description of their use is required and the expenses to be covered with matching funds must be described separately. Applicants should review* [*Appendix B*](#_Appendix_B_1) *and* [*Appendix C*](#_Appendix_C) *prior to developing their budget narrative.*

| **Estimated Budget Summary** | | |
| --- | --- | --- |
| **Expense Category** | | **Funds Requested** |
| Personnel | |  |
| Fringe Benefits | |  |
| Travel | |  |
| Equipment | |  |
| Supplies | |  |
| Contractual | |  |
| Other | |  |
| **Direct Costs Subtotal**  ***(Add together the above totals)*** | |  |
| Match Dollars (if applicable) | |  |
|  | **Total Budget**  ***(Direct Costs Subtotal + Match Dollars)*** |  |

## Personnel

*List the organization’s employees whose time and effort can be specifically identified and easily and accurately traced to project activities that enhance the competitiveness of specialty crops. Refer to* [*Appendix C – Allowable and Unallowable Costs and Activities, Salaries and Wages*](#Salaries)*, and* [*Appendix B – Presenting Direct Costs Correctly*](#_Presenting_Direct_Costs) *for further guidance.*

|  | **Name/Title** | **Level of Effort (# of hours OR % FTE)** | **Funds Requested** |
| --- | --- | --- | --- |
| 1 |  |  |  |
| 2 |  |  |  |
| 3 |  |  |  |
| 4 |  |  |  |
|  |  | **Personnel Subtotal** |  |

### Personnel Justification

*For each individual listed in the above table, describe the activities to be completed by name/title including approximately when activities will occur. Add more personnel by copying and pasting the existing listing or deleting personnel that are not necessary.*

**Personnel 1:**

**Personnel 2:**

**Personnel 3:**

***Add other Personnel as necessary:***

## 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.*

|  | **Name/Title** | **Fringe Benefit Rate** | **Funds Requested** |
| --- | --- | --- | --- |
| 1 |  |  |  |
| 2 |  |  |  |
| 3 |  |  |  |
| 4 |  |  |  |
|  |  | **Fringe Subtotal** |  |

## Travel

*Explain the purpose for each Trip Request. Please note that travel costs are limited to those allowed by formal organizational policy; in the case of air travel, project participants must use the lowest reasonable commercial airfares. For recipient organizations that have no formal travel policy and for-profit recipients, allowable 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* [*https://www.gsa.gov/*](https://www.gsa.gov/policy-regulations/policy/travel-management-policy-overview)*. See Appendix C – Allowable and Unallowable Costs and Activities,* [*Travel*](#Travel)*, and* [*Foreign Travel*](#Foreign) *for further guidance.*

|  | **Trip Destination** | **Type of Expense (airfare, car rental, hotel, meals, mileage, etc.)** | **Unit of Measure (days, nights, miles)** | **# of Units** | **Cost per Unit** | **# of Travelers Claiming the Expense** | **Funds Requested** |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 1 |  |  |  |  |  |  |  |
| 2 |  |  |  |  |  |  |  |
| 3 |  |  |  |  |  |  |  |
| 4 |  |  |  |  |  |  |  |
| 5 |  |  |  |  |  |  |  |
| 6 |  |  |  |  |  |  |  |
| 7 |  |  |  |  |  |  |  |
|  |  |  |  |  | **Travel Subtotal** | |  |

### Travel Justification

*For each trip listed in the above table describe the purpose of this trip and how it will achieve the objectives and outcomes of the project. Be sure to include approximately when the trip will occur. Add more trips by copying and pasting the existing listing or delete trips that are not necessary.*

**Trip 1 (Approximate Date of Travel MM/YYYY):**

**Trip 2 (Approximate Date of Travel MM/YYYY):**

**Trip 3 (Approximate Date of Travel MM/YYYY):**

***Add other Trips as necessary:***

### Conforming with Your Travel Policy

|  |  |
| --- | --- |
| By checking the box to the right, I confirm that my organization’s established travel policies will be adhered to when completing the above-mentioned trips in accordance with [2 CFR §200.475](https://www.ecfr.gov/cgi-bin/retrieveECFR?gp=&SID=988467ba214fbb07298599affd94f30a&n=pt2.1.200&r=PART&ty=HTML#se2.1.200_1475) or [48 CFR Subpart 31.2](https://www.ecfr.gov/cgi-bin/text-idx?SID=3f25ca1f21583e03b13f595d0d9c518d&node=pt48.1.31&rgn=div5#sp48.1.31.31_12) as applicable. |  |

## Equipment

*Describe any special purpose equipment to be purchased or rented under the grant. ‘‘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. See* *[Appendix C – Allowable and Unallowable Costs and Activities, Equipment – Special Purpose](#Special) for definition.*

*Rental of "general purpose equipment’’ must also be described in this section. Purchase of general purpose equipment is not allowable under this grant. See* [*Appendix C – Allowable and Unallowable Costs and Activities, Equipment – General Purpose*](#General) *for definition, and* [*Rental or Lease Costs of Buildings, Vehicles, Land, and Equipment*](#Rental)*.*

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Item Description** | **Rental or Purchase** | **Acquire When?** | **Funds Requested** |
| 1 |  |  |  |  |
| 2 |  |  |  |  |
| 3 |  |  |  |  |
| 4 |  |  |  |  |
|  |  | **Equipment Subtotal** | |  |

### Equipment Justification

*For each Equipment item listed in the above table describe how this equipment will be used to achieve the objectives and outcomes of the project. Add more equipment by copying and pasting the existing listing or delete equipment that is not necessary.*

**Equipment 1:**

**Equipment 2:**

**Equipment 3:**

***Add other Equipment as necessary:***

## 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 enhance the competitiveness of specialty crops. See* [*Appendix C – Allowable and Unallowable Costs and Activities, Supplies and Materials, Including Costs of Computing Devices*](#Supplies) *for further information.*

|  | **Item Description** | **Per-Unit Cost** | **# of Units/Pieces Purchased** | **Acquire When?** | **Funds Requested** |
| --- | --- | --- | --- | --- | --- |
| 1 |  |  |  |  |  |
| 2 |  |  |  |  |  |
| 3 |  |  |  |  |  |
| 4 |  |  |  |  |  |
|  |  |  | **Supplies Subtotal** | |  |

### Supplies Justification

*Describe the purpose of each supply listed in the table above purchased and how it is necessary for the completion of the project’s objective(s) and outcome(s).*

## Contractual/Consultant

*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. (Repeat this section for each contract/consultant.)*

### Itemized Contractor(s)/Consultant(s)

*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.*

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Name/Organization** | **Hourly Rate/Flat Rate** | **Funds Requested** |
| 1 |  |  |  |
| 2 |  |  |  |
| 3 |  |  |  |
| 4 |  |  |  |
|  |  | **Contractual/Consultant Subtotal** |  |

### Contractual Justification

*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, provide a justification for the expenses. This limit does not include fringe benefits, travel, indirect costs, or other expenses. See* [*Appendix C – Allowable and Unallowable Costs and Activities, Contractual and Consultant Costs*](#Contractual) *for acceptable justifications.*

**Contractor/Consultant 1:**

**Contractor/Consultant 2:**

**Contractor/Consultant 3:**

***Add other Contractors/Consultants as necessary:***

### Conforming with Your Procurement Standards

|  |  |
| --- | --- |
| By checking the box to the right, I confirm that my organization followed 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 §200.317 through .326](https://www.ecfr.gov/cgi-bin/retrieveECFR?gp=&SID=988467ba214fbb07298599affd94f30a&n=pt2.1.200&r=PART&ty=HTML#se2.1.200_1317), as applicable. If the contractor(s)/consultant(s) are not already selected, my 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* [*Appendix C – Allowable and Unallowable Costs and Activities, Meals*](#Meals) *for further guidance.*

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **Item Description** | **Per-Unit Cost** | **Number of Units** | **Acquire When?** | **Funds Requested** |
| 1 |  |  |  |  |  |
| 2 |  |  |  |  |  |
| 3 |  |  |  |  |  |
| 4 |  |  |  |  |  |
|  |  |  | **Other Subtotal** | |  |

### Other Justification

*Describe the purpose of each item listed in the table above purchased and how it is necessary for the completion of the project’s objective(s) and outcome(s).*

## Match Funds (if Applicable)

*Matching funds are not required if the award amount will cover the entire budget for the project. If the project budget exceeds the award amount, then an explanation of how those expenses will be met is needed. If any matching funds will be used, a description of their use is required and the expenses to be covered with matching funds must be described separately.*

|  |  |  |
| --- | --- | --- |
| **Source/Type of Match Funds** | | **Amount of Match Funds** |
|  | |  |
|  | **Match Total** |  |

## 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.*

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Source/Nature of Program Income** | **Description of how you will reinvest the program income into the project to enhance the competitiveness of specialty crops** | **Estimated Income** |
| 1 |  |  |  |
| 2 |  |  |  |
|  |  | **Program Income Total** |  |

# Project Work Plan

*Sample Work Plan*

|  |  |  |
| --- | --- | --- |
| **When will the activity be accomplished?** | **Who will do the work?** | **Project Activity** |
| *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.* | *Indicate the project participants who will do the work of each activity, including sub-recipients, and or contractors. If you request grant funds for personnel and contractors, 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.* | *Describe the project activities that are necessary to accomplish the objectives. Make sure you include your performance monitoring/data collection activities.* |
| **Month** | **Responsible Authority**  **Affiliation and Title** | **Activities Performed** |
| October – December 2021 | Dr. Joe – UAF, Professor | Collect and analyze fall-harvested root samples for protein content |
| April – June 2022 | Dr. Joe – UAF, Professor | Collect & analyze spring-harvested root samples for protein content |
| July 2022 – March 2023 | Dr. Joe – UAF, Professor  Intern – UAF, graduate student | Analyze results; prepare for 2016 harvest, share information to ARP members |
| May – September 2023 | Dr. Joe – UAF, Professor  Intern – UAF, graduate student | Prepare and publish final results |

*Project Work Plan*

|  |  |  |
| --- | --- | --- |
| **Project Activity** | **Who will do the work?** | **When will the activity be accomplished?** |
|  |  |  |
|  |  |  |

# Application Scoring Criteria

## Total Points Available: 100 points

### Application: 5 points

The application is complete and thorough, addressing all format criteria.

### Project Purpose: 20 points

The proposed project responds to a specialty crop industry need and demonstrates the ability to impact that need.

### External Project Support: 20 points

The proposed project demonstrates that there is broad industry support for the project. Letters of support and/or formal commitments from all project partners are included. Applicant has sufficient organizational support to forward the project.

### Impact and Outcomes/Evaluation: 20 points

The proposed project demonstrates that it will increase the competitiveness of specialty crop producers and will impact a significant number of beneficiaries. The project includes a strong outreach/information dissemination component to ensure a broad impact. Outcome measures are thoughtfully developed and realistic. The project includes a strong monitoring and evaluation plan and explains clearly how outcomes will be measured.

### Budget: 20 points

Budget aligns well with project, with no abnormal or outlying costs.

### Work Plan: 10 points

Work plan clearly identifies activities, the personnel that will work on them, and when each activity will be completed.

### Past Project Performance: 5 points

If applicant has never been funded, they will automatically receive 5 points. Return applicants will be scored based on previous project management and reporting performance.

# Grant Management and Reporting

## Grant Award Agreement and Payment

Prior to beginning work on the proposed project or receiving funding, successful applicants will be required to sign a Grant Award Agreement (Agreement) with the Division indicating their intention to complete the proposed tasks and authorizing the Division to monitor the progress of the proposed project. In addition to obtaining a DUNS[[1]](#footnote-1) number (required prior to application submission), successful applicants will be required to register with the federally run System for Award Management, <https://www.sam.gov/SAM/>. As a potential sub recipient of federal money, you must have an active and clear profile that matches your DUNS number and provide this information with your application. Registration is free.

Agreements must be signed and returned to the Division within 30 days of receipt. Failure to submit an executed copy of the Agreement within 30 days of receipt will result in the loss of awarded grant funds unless the delay was caused by circumstances outside the control of the grantee.

## Reporting Requirements

The Division reserves the right to modify reporting requirements during the course of the project. Information submitted in any report to the Division will be a public record.

### Annual Reports

Reports must detail the project status and how grant monies were used to achieve project outcomes outlined in the project proposal submitted with the grant application packet. Reports must also include a detailed financial report that tracks all expenditures against the project budget submitted with the grant proposal.

The annual performance report should be organized under, but not limited to, the following headings for each project:

* **Activities Performed:** Briefly summarize activities performed, targets, and/or performance outcomes achieved during the reporting period for each project. Include favorable or unusual developments. It is encouraged to clearly convey progress toward achieving outcomes by graphing baseline data and showing the progress toward achieving set targets. If targets have already been achieved, amend the outcome measure to go beyond what was originally proposed. Identify the amended measurable outcome in the performance report.
* **Problems and Delays:** Note unexpected delays or impediments for each project. Make sure to review measurable outcomes to determine if targets are realistic and attainable. An objective that is too stringent should be scaled back and identified in the performance report. Keep in mind that targets may slip due to all kinds of factors, such as employee turn-over and bad weather. Include revised work plan timelines.
* **Future Project Plans:** Summarize activities performed, targets, and/or performance goals to be achieved during the next reporting period for each project. Describe the work accomplished in both quantitative and qualitative terms. Describe any changes that are anticipated in the project.
* **Funding Expended to Date:** Provide information regarding the level of grant funds expended to date. In the event that a project gained income as a result of planned activities, provide the amount of this supplemental funding and how it will be reinvested into the project.

### Final Reports

A final performance report will be required within 30 days following the end date of the grant agreement. The final report will be posted on the USDA-AMS website and represents an important vehicle for sharing project findings with federal and state agencies and the public.

The final report should be organized under, but not limited to, the following headings for each project:

* **Project Summary:** An outline of the issue, problem, interest, or need for each project.
* **Project Approach:** How the issue or problem was approached via the project.
* **Goals and Outcomes Achieved:** How the performance goals and measurable outcomes were achieved for each project(s). If outcome measures were long term, summarize the progress that has been made towards achievement. It is encouraged to clearly convey progress toward achieving outcome measures by graphing baseline data and showing the progress toward achieving set targets.
* **Beneficiaries:** Provide a description and quantitative data for the number of people or operations that have benefited from the project’s accomplishments, and/or the potential economic impact of each project. Include information about your public presentation and the number of specialty crop producers in the audience.
* **Lessons Learned:** Lessons learned, results, conclusions, for each project. If goals or outcome measures were not achieved, identify, and share the lessons learned to help others expedite problem-solving.
* **Contact Person:** Contact person for each project with telephone number and email address.
* **Additional Information:** We encourage submission of any supplemental publications, web sites, photographs, etc.
* **Budget Summary:** In addition to the final project report, the Division reserves the right to conduct a follow-up survey of funded projects in order to determine long-term impacts of the project.

### Reporting Compliance

Applicants who do not submit the semi-annual reports or who submit reports that do not meet all of the above reporting requirements will be required to return all previously disbursed funds to the Division.

### Budget Adjustments

If a material change (10% or greater) in the budget is needed during the project period, a written request may be made to the Division to reallocate budget funds between budget categories. However, the total budget amount as dictated by the approved grant award cannot be adjusted.

# Appendix A

USDA Specialty Crop Block Grant Program Fiscal Year 2021 Evaluation Plan

#### Specialty Crop Block Grant Program Background

The Specialty Crops Competitiveness Act of 2004 (7 U.S.C. 1621 note) authorized U.S. Department of Agriculture to make grants to be used by state departments of agriculture to enhance the competitiveness of specialty crops under the Specialty Crop Block Grant Program (SCBGP). All 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 are eligible to participate. Specialty crops are becoming an increasingly important commodity area within the United States agricultural arena. This is especially true since there is an increasing demand by the public for year-round, healthy, nutritious, and sustainable food. Specialty crops are defined as fruits and vegetables, tree nuts, dried fruits, and horticulture and nursery crops (including floriculture). Agricultural Marketing Service (AMS) administers the SCBGP.

The 2018 Farm Bill, Section 10107, authorized funding for 2018 through 2023 at $75 million each fiscal year thereafter.

Each state department of agriculture is eligible to receive an estimated base grant and an additional amount based on the average of the most recent available value and acreage of specialty crop production for that state. Awards are made for a grant period of up to three years in length.

State departments of agriculture are encouraged by AMS to conduct outreach to specialty crop stakeholders, including socially disadvantaged and beginning farmers, to disseminate information about the program and identify funding priorities. AMS also encourages state departments of agriculture to develop their state Plans through a competitive review process to ensure maximum public input and benefit.

AMS provides guidance and assistance to states in developing and submitting state Plans, meeting the administrative, reporting, and audit requirements involved in managing a funded project, and participates in workshops, conferences, and other forums to facilitate interaction among states, USDA representatives, and industry organizations. AMS also performs site visits with state departments of agriculture to assess program performance and provide technical assistance. The site visits identify effective practices, initiate corrective actions, and improve public accountability.

#### Fiscal Year 2021 Specialty Crop Block Grant Performance Evaluation

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 indictors as needed over time to lead to better results in showing the impact of the SCBGP.

#### Outcomes 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

*Indicators:*

1. Of the total number of children and youth reached;
   1. The number that gained knowledge about eating more specialty crops.
   2. The number that reported an intention to eat more specialty crops.
   3. The number that reported eating more specialty crops.
2. Of the total number of adults reached;
   1. The number that gained knowledge about eating more specialty crops.
   2. The number that reported an intention to eat more specialty crops.
   3. 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;
   1. The number that gained knowledge on how to access/produce/prepare/preserve specialty crops.

* 1. The number that reported an intention to access/produce/prepare/preserve specialty crops.
  2. The number that reported supplementing their diets with specialty crops that they produced/preserved/obtained/prepared.

1. Of the total number of individuals (culinary professionals, institutional kitchens, specialty crop entrepreneurs such as kitchen incubators/shared-use kitchens, etc.) reached;
   1. The number that gained knowledge on how to access/produce/prepare/preserve specialty crops.

* 1. The number that reported an intention to access/produce/prepare/preserve specialty crops.
  2. The number that reported supplementing their diets with specialty crops that they produced/prepared/preserved/obtained.

1. Number of existing delivery systems/access points of those reached that expanded and/or improved offerings of specialty crops;
   1. farmers markets.
   2. produce at corner stores.
   3. school food programs and other food options (vending machines, school events, etc.)
   4. grocery stores.
   5. wholesale markets.
   6. food hubs that process, aggregate, distribute, or store specialty crops.
   7. home improvement centers with lawn and garden centers.
   8. lawn and garden centers.
   9. other systems/access points not noted.
   10. total (if not reported above.)
2. Number of new delivery systems/access points offering specialty crops;
   1. farmers markets.
   2. produce at corner stores.
   3. school food programs and other food options (vending machines, school events, etc.)
   4. grocery stores.
   5. wholesale markets.
   6. food hubs that process, aggregate, distribute, or store specialty crops.
   7. home improvement centers with lawn and garden centers.
   8. lawn and garden centers.
   9. other systems/access points not noted.
   10. total (if not reported above.)

##### Outcome 4: Enhance the competitiveness of specialty crops though 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.)
   1. Number of growers/producers indicating adoption of recommended practices.
   2. Number of growers/producers reporting reduction in pesticides, fertilizer, water used/acre.
   3. Number of producers reporting increased dollar returns per acre or reduced costs per acre.
   4. 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.]

1. 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.]

1. Number of first responders trained in early detection and rapid response to combat plant pests and diseases.
2. Number of viable technologies/processes developed or modified that will increase specialty crop distribution and/or production.
3. 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, detection, 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 pre-harvest 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.

# Appendix B

Administration costs are defined as indirect costs and are not allowed in the budget request. See the information below on presenting direct costs correctly.

#### Presenting Direct Costs Correctly

Applicants are responsible for presenting direct costs appropriately and consistently and must not include costs associated with their organization’s indirect costs. In addition, a cost may not be allocated as a direct cost if it can also be incurred as an indirect cost. For further information on how to determine if a cost is indirect or direct, please see the [Indirect Cost Decision Tree](#_Indirect_Cost_Decision).

**Direct costs** are costs that can be identified specifically with a particular award, project or program, service, or other organizational activity or that can be directly assigned to such an activity relatively easily with a high degree of accuracy. Typically, direct costs include, but are not limited to, compensation of employees who work directly on the award to include salaries and fringe benefits, travel, equipment, and supplies directly benefiting the grant-supported project or program.

**Indirect costs** (also known as “facilities and administrative costs”) defined at [2 CFR §200.1](https://www.ecfr.gov/cgi-bin/text-idx?SID=86ee2ee5bc43e4a00ff2108c1a1563cd&mc=true&node=se2.1.200_11&rgn=div8) are costs incurred for a common or joint purpose benefitting more than one cost objective, and not readily assignable to the cost objectives specifically benefitted, without effort disproportionate to the results achieved. Refer to [2 CFR §200.413](https://www.ecfr.gov/cgi-bin/text-idx?SID=86ee2ee5bc43e4a00ff2108c1a1563cd&mc=true&node=se2.1.200_1413&rgn=div8) and [414](https://www.ecfr.gov/cgi-bin/text-idx?SID=86ee2ee5bc43e4a00ff2108c1a1563cd&mc=true&node=se2.1.200_1414&rgn=div8) for additional information on determining if costs charged to the award are direct or indirect.

The salaries of administrative and clerical staff should typically be treated as indirect costs. However, charging these costs as direct costs may be appropriate where all of the following conditions are met:

1. administrative or clerical services are integral to a project or activity;
2. individuals involved can be specifically identified with the project or activity;
3. such costs are explicitly included in the budget or have the prior written approval of the Federal awarding agency; and
4. the costs are not also recovered as indirect costs.

|  |  |
| --- | --- |
| **Type of Organization** | **Typical Indirect Costs** |
| **Non-Profits** | General administration and general expenses, such as the salaries and  expenses of executive officers, personnel administration, and accounting,  depreciation or use allowances on buildings and equipment, and the costs of  operating and maintaining facilities. |
| **Colleges and Universities** | Equipment and capital improvements, operation, and maintenance expenses,  library expenses, general administration, and general expenses, departmental  administration, sponsored projects administration, student administration  and services, depreciation and use allowances, and interest on debt associated with certain buildings. |
| **State and Local Governments** | State/local-wide central service costs, general administration of the applicant  department or agency, accounting and personnel services performed within  the applicant department or agency, depreciation or use allowances on  buildings and equipment, and the costs of operating and maintaining facilities. |

#### Indirect Cost Decision Tree



# Appendix C

#### Allowable Costs and Funding Restrictions

All SCBGP awards are subject to the most recent Award Terms and Conditions, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards ([2 CFR §200](https://www.ecfr.gov/cgi-bin/text-idx?SID=8b2d141d1d210e0d0d886f9215434fe4&mc=true&node=pt2.1.200&rgn=div5)), and other laws and regulations affecting Federal assistance.

All costs must be allowable in accordance with the Federal cost principles outlined in [2 CFR §200 Subpart E](https://www.ecfr.gov/cgi-bin/text-idx?SID=8b2d141d1d210e0d0d886f9215434fe4&mc=true&node=pt2.1.200&rgn=div5#sp2.1.200.e).

The following list describes specific funding restrictions under the 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. State department of agriculture applicants that have questions concerning the allowability of costs after reviewing the associated Federal cost principles should contact the SCBGP.

| **Item** | **Description** |
| --- | --- |
| **Alcoholic Beverages** | *Unallowable* for alcoholic beverages except 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. |
| **Aquaponics** | *Allowable* 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. The project must also adhere to Alaska Statutes ([AS 16.40.100-199](http://www.legis.state.ak.us/basis/statutes.asp#16.40.100)) and Regulations ([5 AAC 41 Article 4](http://www.legis.state.ak.us/basis/aac.asp#5.41.200)) on Aquatic Farming.  Projects that are Acceptable   * A project to market broccoli grown through aquaponics is acceptable. * A project to compare the quality of lettuce grown in water to lettuce grown in a greenhouse is acceptable.   Projects that are NOT Acceptable   * A project to study whether lettuce or tomato produced the highest yield of fish 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.   For more information on constructing or purchasing an aquaponics system, see [Equipment – General Purpose](#General) and [Equipment – Special Purpose](#Special). |
| **Conferences** | *Allowable* for costs of conferences as defined in [2 CFR §200.432](https://www.ecfr.gov/cgi-bin/text-idx?SID=8b2d141d1d210e0d0d886f9215434fe4&mc=true&node=pt2.1.200&rgn=div5#se2.1.200_1432). Allowable conference costs paid by the non-Federal applicant as a sponsor or host of the conference may  include rental of facilities, speakers’ fees, costs of meals (see [Meals](#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 sub-applicant must report fees as program income (See [Program Income](#_program_income)).  The SCBGP encourages the use of technologies such as webinars, teleconferencing, or videoconferencing as an alternative to renting a building or a room. |
| **Construction and Renovation and Land or Building Acquisition** | *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).  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. |
| **Contractual/**  **Consultant Costs (Professional Services)** | *Allowable 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.  *Allowable* 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 <https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/pdf/2021/AK.pdf>). This does not include fringe benefits, travel, indirect costs, or other expenses. Please note that indirect costs are *unallowable* and also apply to contractors and consultants.  If rates exceed this amount, one of the following justifications must be provided:   * 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 applicant to other entities.   * A non-profit entity using grant funds to purchase produce to donate to other entities and individuals is unallowable. |
| **Entertainment** | *Unallowable*. 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). |
| **Equipment, Buildings, and Land** | *Unallowable* for acquisition costs of general purpose equipment, vehicles, buildings, and land.  *Allowable with conditions* for renting or leasing of general purpose equipment, buildings, vehicles, and with prior approval for land. Vehicles may be leased, but not purchased. The lease or rental agreement must terminate at the end of the grant cycle.  *Unallowable* for lease agreements to own (i.e., lease-to-own or rent-to-own). 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* with prior approval for acquisition costs and rental costs of special purpose equipment provided the following criterion is 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 only be used to solely enhance the competitiveness of specialty crops; 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](https://www.ecfr.gov/cgi-bin/text-idx?SID=8b2d141d1d210e0d0d886f9215434fe4&mc=true&node=pt2.1.200&rgn=div5#se2.1.200_1313) as applicable.   **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.  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.  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, high tunnels, fruit or vegetable coolers, vegetable washing machines, fruit, or vegetable processing equipment, etc. |
| **Fines, Penalties, Damages and Other Settlements** | *Unallowable* for costs resulting from violations of, alleged violations of, or failure to comply with, Federal, State, tribal, local, or foreign laws and regulations. |
| **Fixed Amount Subawards** | *Allowable* with prior written approval from AMS, a pass-through entity may provide subawards based on fixed amounts up to the Simplified Acquisition Threshold, provided that the subawards meet the requirements for fixed amount awards in [2 CFR §200.201](https://www.ecfr.gov/cgi-bin/text-idx?SID=8b2d141d1d210e0d0d886f9215434fe4&mc=true&node=pt2.1.200&rgn=div5#se2.1.200_1201). |
| **Foreign Travel** | 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 (<https://gain.fas.usda.gov>) to ensure that proposals will not duplicate information that already exists. Any proposal involving foreign travel must be well justified.  See [Travel](#Travel) in this table for more information on travel costs. |
| **Fundraising** | *Unallowable* 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. |
| **General Costs of Government** | *Unallowable* for:   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 [2 §200.435 Defense and prosecution of criminal and civil proceedings, claims, appeals and patent infringements](https://www.ecfr.gov/cgi-bin/text-idx?SID=8b2d141d1d210e0d0d886f9215434fe4&mc=true&node=pt2.1.200&rgn=div5#se2.1.200_1435)); 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** | *Unallowable* for costs of goods or services for personal use of the applicant’s or sub-applicant’s employees regardless of whether the cost is reported as taxable income to the employees. |
| **Health and Nutrition Messaging** | *Allowable* when health and nutrition information complies with regulations and policies of the:  *Federal Trade Commission*  <https://www.ftc.gov/about-ftc/bureaus-offices/bureau-consumer-protection>  AND  *U.S. Food and Drug* Administration  <https://www.fda.gov/food/food-labeling-nutrition>  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](https://www.fda.gov/food/guidance-regulation-food-and-dietary-supplements/guidance-documents-regulatory-information-topic-food-and-dietary-supplements). |
| **Information Technology Systems** | *Unallowable* 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 applicant or sub-applicant 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.  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.  *Allowable* for website development, mobile apps, etc. |
| **Insurance and Indemnification** | *Allowable* as indirect costs for insurance and indemnification. |
| **Lobbying** | The applicant should consult with the SCBGP to ensure that it is in compliance with Federal assistance regulations and laws if it intends to engage in certain activities intended to influence Federal, State, or local government entities.  *Unallowable* for:   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:    1. The introduction of Federal or State legislation;    2. 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);    3. 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    4. 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.   *Allowable* activities directly related to the performance of a grant include:   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 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 unallowable 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;   1. Any lobbying made unallowable by [2 CFR §200.450(c)(1)(iii)](https://www.ecfr.gov/cgi-bin/text-idx?SID=8b2d141d1d210e0d0d886f9215434fe4&mc=true&node=pt2.1.200&rgn=div5#se2.1.200_1450) 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 2. Any activity specifically authorized by statute to be undertaken with funds from the Federal award. 3. 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, [IRC §501(c)(3), §501(h)](https://www.law.cornell.edu/uscode/text/26/501), [§4911(a)](https://www.law.cornell.edu/uscode/text/26/4911), including:    1. Nonpartisan analysis, study, or research reports;    2. Examinations and discussions of broad social, economic, and similar problems; and    3. Information provided upon request by a legislator for technical advice and assistance, as defined by [IRC §4911(d)(2)](https://www.law.cornell.edu/uscode/text/26/4911) and [26 CFR §56.4911-2(c)(1)-(c)(3)](https://www.ecfr.gov/cgi-bin/text-idx?SID=e3f6db45e1b0762d8302f9b8345d57a4&mc=true&node=pt26.19.56&rgn=div5#se26.19.56_14911_62). |
| **Meals** | *Unallowable* 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.  *Allowable* 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.  *Unallowable* 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.  *Unallowable* for meal costs that are duplicated in meeting participant’s per diem or subsistence allowances.  *Allowable* 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. |
| **Memberships, Subscriptions, and Professional Activity Costs** | *Unallowable* for costs of membership in any civic or community organization.  *Allowable* for costs of membership in business, technical, and professional organizations. |
| **Organization Costs** | *Allowable* with prior approval for organization costs per [2 CFR §200.455](https://www.ecfr.gov/cgi-bin/text-idx?SID=8b2d141d1d210e0d0d886f9215434fe4&mc=true&node=pt2.1.200&rgn=div5#se2.1.200_1455).  *Unallowable* for costs of investment counsel and staff and similar expenses incurred to enhance income from investments. |
| **Participant Support Costs** | *Allowable* 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.  See also [Selling and Marketing - Coupons, Incentives or Other Price Discounts](#Coupons). |
| **Political Activities** | *Unallowable* for development or participation in political activities in accordance with provisions of the Hatch Act ([5 USC §1501-1508](https://www.law.cornell.edu/uscode/text/5/part-II/chapter-15) and [§7324-7326](https://www.law.cornell.edu/uscode/text/5/part-III/subpart-F/chapter-73/subchapter-III)). |
| **Pre-Award (Pre-Agreement Costs)** | *Allowable*, if such costs are necessary to conduct the project or program, and would be allowable under the grant, if awarded.  An applicant may incur pre-award costs 90 calendar days before SCBGP makes the award without prior approval from SCBGP. Expenses more than 90 calendar days pre-award require SCBGP prior approval. All costs incurred before SCBGP makes the award are at the applicant’s risk. The incurrence of pre-award costs in anticipation of an award imposes no obligation on SCBGP to award funds for such costs. |
| **Rearrangement and Reconversion Costs** | 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.  *Allowable* as direct costs with prior approval for special arrangements and alterations costs incurred specifically for the award |
| **Salaries and Wages** | *Allowable* 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).  *Unallowable* 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 unallowable, while salaries and wages for personnel to conduct a cooking demonstration on how to prepare fruits and vegetables is allowable. |
| **Selling and Marketing Costs** | *Allowable with conditions (see specific costs below)* 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 technical information or messages for the purpose of increasing market share for the specialty crops. |
| **Selling and Marketing Costs – Promotion of an Organization’s Image, Logo, or Brand Name** | *Unallowable* for costs designed solely to promote the image of an organization, general logo, or general brand rather than eligible specialty crops.   * A promotional campaign to increase sales of “STATE/COUNTY 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 STATE/COUNTY Grown Apples” but not “XYZ Grown”, which promotes XYZ generically. * 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. |
| **Selling and Marketing Costs – Promotion of Non-Specialty Crop Activities** | *Unallowable* for costs for promotion at non-specialty crop specific venues, tradeshows, events, meetings, programs, conventions, symposia, seminars, etc.   * 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. |
| **Selling and Marketing Costs – Promotional Items, Gifts, Prizes, etc.** | *Unallowable* for promotional items, swag, gifts, prizes, memorabilia, and souvenirs. |
| **Selling and Marketing Costs – Sponsorships** | *Unallowable* 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.  *Unallowable* 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). |
| **Selling and Marketing Costs – Coupons, Incentives, or Other Price Discounts** | *Unallowable* 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 program or single organization.  See also [Participant Support Costs](#Participant). |
| **Selling and Marketing Costs – Use of Meeting Rooms, Space, Exhibits for Non-Specialty Crop Activities** | *Unallowable* 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.   * 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 allowable, while renting a booth space for berry producers as well as wheat producers at an international trade show is not allowable. * 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** | *Allowable* 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.  *Unallowable* 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). |
| **Supplies and Materials, Including Costs of Computing Devices** | *Allowable* 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 sub-applicant 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 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. |
| **Travel** | *Allowable* when travel costs are limited to those allowed by formal organizational policy; in the case of air travel, the lowest reasonable commercial airfares must be used.  *Allowable* with prior approval for government officials per [2 CFR §200.475](https://www.ecfr.gov/cgi-bin/retrieveECFR?gp=&SID=988467ba214fbb07298599affd94f30a&n=pt2.1.200&r=PART&ty=HTML#se2.1.200_1475).  Applicants and sub-applicants that do not have formal travel policies and for-profit sub-applicants’ allowable 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 [https://www.gsa.gov/](https://www.gsa.gov/policy-regulations/policy/travel-management-policy-overview). If an applicant or sub-applicant organization has no formal travel policy, those regulations will be used to determine the amount that may be charged for travel costs.  Applicants and sub-applicants 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.  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.  *Unallowable* for travel costs for conferences, venues, tradeshows, events, meetings, programs, conventions, symposia, workshops seminars, etc. that include non-specialty crop activities such as farmers’ market annual conferences and general marketing tradeshows where these costs cannot be specifically identified and easily and accurately traced to activities that solely enhance the competitiveness of specialty crops.   * 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. |

1. Obtaining a DUNS number: <https://www.grants.gov/web/grants/applicants/organization-registration.html> [↑](#footnote-ref-1)