



**OREGON  
DEPARTMENT OF  
AGRICULTURE**

# **2021 SPECIALTY CROP BLOCK GRANT PROGRAM PROGRAM GUIDELINES**

As prepared by  
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<https://www.oregon.gov/ODA/programs/MarketAccess/SpecialtyCrop/Pages/SpecialtyCrop.aspx>

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this publication will be made available in alternate formats upon request.*

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Prepared By

The Oregon Department of Agriculture Market Access Program Area Specialty Crop Block Grant Program

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## 1. Introduction

The Oregon Department of Agriculture (ODA) is pleased to announce a competitive solicitation process to award Specialty Crop Block Grant Program (SCBGP) funds for proposals that solely enhance the competitiveness of Oregon specialty crops.

## 2. Eligibility

### Specialty Crops

For the purpose of this program, specialty crops are defined as commonly recognized fruits, vegetables, tree nuts, dried fruits, and nursery crops (including floriculture and horticulture). Feed crops, food grains, livestock, dairy products, seafood products and oil seed crops are NOT eligible. For a list of eligible specialty crops visit the USDA Specialty Crop Block Grant website at: <http://www.ams.usda.gov/scbqg>

### Eligible Entities

Eligible entities include non-profit organizations, for-profit organizations, local, state and federal government entities, including tribal governments, and public and private colleges and universities for proposals that solely benefit the production of and access to Oregon specialty crops.

### Solely Enhance the Competitiveness of U.S. Specialty Crops

To be eligible for a grant, the project(s) must “solely enhance the competitiveness of U.S. specialty crops” in either domestic or foreign markets.

### Benefit More Than One Product or Organization

Applications for grant funds should show how the project potentially impacts and produces measurable outcomes for the specialty crop industry and/or the public rather than a single organization, institution, or individual. ***Grant funds will not be awarded for projects that solely provide a profit to a single organization, institution, or individual.*** Single organizations, institutions, and individuals are encouraged to participate as project partners.

The following are some examples of acceptable and unacceptable projects:

## Examples of Unacceptable Projects

- o *A company requests grant funds to purchase starter plants or equipment used to plant, cultivate, and grow a specialty crop to make a profit, or to expand production of a single business or organization.*
- o *A State requests grant funds to make grants to individual specialty crop businesses or roadside stands to promote their individual business.*
- o *A non-profit organization uses grant funds to purchase produce and then sells that produce to other entities at cost or a higher price than the purchase price while competing with other private companies who sell produce in the area*
- o *A sole proprietor requests grant funds to redesign her/his logo in order to make her/his specialty crop value-added product stand out at the local farmers' market.*
- o *A single specialty crop organization requests grant funds to market its organization so that it can increase membership in the organization.*

## Examples of Acceptable Projects

- o *A State requests funding to contract with a university to conduct research on the feasibility of planting, cultivating, and growing a specialty crop in a particular area, the results of which will be shared with many growers throughout the State during the project.*
- o *A single grower requests funds to demonstrate the viability of organic small fruit production and partners with Cooperative Extension to publicize the working model of diversification to other regional growers.*
- o *A single company requests funds to provide a viable pollination alternative to specialty crop stakeholders in a region that currently does not have one.*
- o *A single non-profit organization requests funds to conduct an advertising campaign that will benefit their specialty crop members.*
- o *A single farmer erects high tunnels on his/her property to extend the growing season of tomatoes and lettuce and conducts a field day and farm tour to encourage other small family farmers to adopt the production methods.*

## Complete Project Within 2.5 Years

Projects must be completed within 2.5 years after project is given its initiation date. The ODA must be notified at least 60 days prior to the ending date of the project if for any reason the project cannot be completed within the timeframe established in the agreement, extensions are awarded for very limited circumstances.

## Multi-State Partnerships

Multi-state partnerships are encouraged and should provide solutions to problems that cross state boundaries such as, but not limited to, addressing good agricultural practices, food safety, research on crop productivity or quality, pest and disease management, or commodity-specific projects addressing common issues in multi-state regions.

A multi-state partnership is a project that implements activities with measurable outcomes that benefit two or more U.S. states and/or territories. A multi-state partnership proposal must explain the impact the project will have on a multi-state or national level within the Potential Impact section of the application.

## 3. Funding

### Funding Availability

A range of \$25,000 to \$175,000 per project is suggested. Grant funds will be available for projects lasting 2.5 years and cannot be expended before a project initiation date is given by the Oregon Department of Agriculture.

### Matching Funds and In-Kind Contributions

Though matching funds are not a requirement of the SCBGP – Match is **strongly** encouraged to show the importance and value of the project and to show sustainability beyond SCBGP funds. Applicants are encouraged to develop partnerships and provide the estimated amount and letters of support as a part of the proposal.

### Definitions:

**Cash** match is defined as: real cash contributed to project

- Examples may include but are not limited to:
  - o Cash contributed by your organization
  - o Equipment to be purchased by your organization for project activities
  - o Personnel to be hired by the organization to help with the project, who will not be hired if the grant is not funded
  - o Paying for a project brochure and/or its dissemination

**In-kind** match is defined as: paid or given in goods, commodities, or services instead of money

- Examples may include but are not limited to:
  - o Personnel time given to the project
  - o Person on loan from another organization/corporation
  - o Use of existing equipment or facilities

# Indirect Costs

Indirect costs are **unallowable** under Oregon’s grant program. Indirect costs are those costs incurred for a common or joint purpose benefiting more than one cost objective, and not readily assignable to the cost objectives specifically benefited, without effort disproportionate to the results achieved.

*Indirect costs (also known as “facilities and administrative costs”) are costs incurred for common or joint objectives that cannot be identified specifically with a particular project, program, or organizational activity. The table below includes typical indirect costs for specific types of organizations.*

*The salaries of administrative and clerical staff should normally be treated as indirect costs. Direct charging of these 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.*

## Typical Indirect Costs by Organization Type

Type of Organization	Typical Indirect Costs
<b>Non-Profits</b>	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.

<b>Colleges and Universities</b>	<p>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.</p>
<b>State and Local Governments</b>	<p>State/local-wide central service costs, general administration of the recipient department or agency, accounting and personnel services performed within the recipient department or agency, depreciation or use allowances on buildings and equipment, and the costs of operating and maintaining facilities.</p>

## 4. Oregon Program Priorities

### Priorities for the Oregon Specialty Crop Grant Program (in no order of preference)

Based on a survey from 2012\* of specialty crop producers, associations, commissions, and other stakeholders Oregon Department of Agriculture (ODA) has identified the following areas as the Specialty Crop Block Grant Program funding priorities. Additionally, for the funding year of 2019, two new priorities have been identified by the ODA and are listed below. Projects that do not address one of the identified priorities are still eligible for funding, as long as they meet all other program requirements. ODA encourages the development of partnerships, including multi-state projects. (\*all priorities are updated each Fall to meet current USDA Farm Bill requirements)

- I. Market development and access,
  - a. **International** –
    - i. Understanding and addressing trade barriers or regulatory constraints in foreign markets (e.g. tariffs, TRQs, FTAs, quotas, bilateral agreements).
    - ii. Obtaining market information and providing product exposure through trade shows, conferences, seminars, market research, consumer testing, in-bound and outbound trade missions, etc.
    - iii. Applying new technologies to help identify new customers and facilitate shipments (e.g. packaging configurations, customer data, logistics, transportation enhancements, etc.).
  - b. **Local/farm-direct, regional and domestic markets** –
    - i. Obtaining market information and providing product exposure through trade shows, conferences, seminars, market research, consumer testing, in-bound and outbound trade missions, etc.
    - ii. Connect farmers to consumers by enhancing direct marketing opportunities that highlight production practices, farmers, and growing locations.

- iii. Support the development and advancement of co-operatives to leverage grower and producer efforts.
  - iv. Develop and enhance economic opportunities in local communities that increase the awareness and consumption of specialty crops.
  - v. Increasing child and adult nutrition knowledge and consumption of specialty crops by expanding access at schools, at work and in local neighborhoods.
2. **On-farm labor needs**, connecting growers with hiring resources, providing technical information about laws and compliance, or developing mechanization or methodologies for routine or repetitive labor demands. Create and implement **workforce training programs or tools** to maintain the technical skills required to keep the Oregon specialty crops sector competitive.
  3. Promoting **cross commodity collaboration** on specialty crop projects that address industry wide issues faced by growers/producers. Assisting all entities in the specialty crop distribution chain through transferable results that may enhancing market access and increase sales by addressing food safety, sustainability, or other outcomes.
  4. Investing in specialty crop research toward **food safety compliance and traceability** through implementation of practices, trainings, or systems development and preparation for and/or assistance in compliance with the Food Safety Modernization Act (FSMA).
  5. Investing in projects that **address regulatory burden** on specialty crop growers. Connecting growers with resources, providing technical information about laws and compliance, or developing mechanization or methodologies for routine or repetitive laws and compliance.
  6. Investing in projects that address **productivity enhancements, innovation, value added products** and other production efficiencies for specialty crops.

7. **Agriculture and food-related priorities identified by Oregon Solutions Network Regional Solutions Centers** to address rural economic development in Oregon. Projects must also comply with one or more of the required previously listed program priorities.

## 5. Solicitation Process

### TIMELINE (Dates subject to change)

#### Event

Request for Full Proposals (RFP) Opens  
Live Webinar – Recorded Version will be available after  
webinar  
RFP Closes  
Projects Reviewed by SCBGP Advisory Committee  
Projects reviewed by the ODA Director  
Subgrantees selected to participate in the FY20 SCBGP  
Projects sent for review by the USDA  
USDA approval of SCBGP projects  
FY21 Subgrantees may begin work on FY21 projects

#### Timeline

December 1, 2020  
December Early 2020  
  
January 31, 2021 at noon  
February 2021 – March 2021  
Late March 2021  
Early April 2021  
May 2021  
September 2021  
October 2021

## 6. Application Procedures and Requirements

Briefly describe the project in a 15-page application proposal (template provided by ODA is mandatory).

Available at: <https://oda.direct/SCBGP>

Proposals must provide a general overview for the following areas of the project:

- Cover page provided within template (not included in 15 page limit)
- Project title
- Project duration
- Project purpose and industry impact
- Continuation of project information
- Support from federal or state grant programs
- External project support
- Expected measurable outcomes
- Data collection to report on outcomes and indicators
- Budget narrative
- Matching funds narrative – Attachment A
- Work plan – Attachment B

### Submission Details

A link to an FTP is up on the website for you to upload your submission.

<http://files.oda.state.or.us/?login=SCBGP-appl>

When submitting your proposal for review, an applicant can upload up to 7 files within a single upload session:

- Proposal (15 page limit, MS Word format, Times font, size 12)
  - Cover letters, attachments and support letters are not included in the 15page limit.
- Support letters and documentation such as matching funds support etc.
  - Support letters and documentation are limited to 5
- Please include your applicant name in the file name structure such as:
  - Applicantname\_proposal2020
  - Applicantname\_supportletter\_fromname2020

Applicants may submit multiple proposals; however, each proposal must

be submitted separately. **Proposals over the page limit or are not responsive to the requirements listed above are subject to rejection.**

## 7. Review Criteria and Process

### Review Criteria

ODA's intent is to fund projects that can produce the highest degree of measurable benefits to Oregon specialty crop producers in relation to each dollar spent.

### Process

The first level is an administrative review to determine whether proposal requirements are met, and if applicable, assess an applicant's past ODA grant performance. This is performed by the SCBGP Coordinator to ensure the grant is allowable in the constraints of the program.

The second level is a technical review to evaluate the merits of the proposals. The SCBGP Advisory Committee along with the ODA Internal Review Team will perform the Technical Review. The Advisory Committee is made up of growers, industry, public agencies and representatives from nonprofits with technical interest and expertise in specialty crops and agricultural systems.

The final selection process is advancement into the USDA State Plan application this process is done by the ODA Director and is the final application for funding phase. This last level of review takes in to consideration all previous levels of the review process. Additionally, the group reviews other aspects of the grant application including but not limited to: physical location of grant activities, connection with climate change mitigation and adaption, demographics of the grantee as well as the groups affected by the project, crops impacted, and size of the grant in relation to grant activities.

Once selected for award, the application is sent to the USDA for final approval in the State Plan. After acceptance from the USDA, activities can begin on the grant work.

## 8. Policies and Requirements

### Allowable costs, unallowable costs and restrictions

Federal administrative requirements and cost principles are policies used to determine which costs of an activity, project, or program should be borne by the Federal Government. These policies ensure the consistent treatment of costs, regardless of whether reimbursement is received directly from the State Government or through another recipient of Federal funds. For each organization type, there is a set of Federal requirements.

All SCBGP awards are subject to the terms and conditions, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and other considerations as described in the most recent [USDA SCBGP Terms and Conditions](#).

All costs must be allowable in accordance with the Federal cost principles outlined in [2 CFR part 200 Subpart E](#).

Appendix A 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.

All subgrantees are subject to those cost principles applicable to the particular organization concerned. All costs must be associated with project activities that enhance the competitiveness of specialty crops. Please refer to the applicable cost principles when developing your project activities and budget. Please see [2 CFR 200 Uniform Guidance](#) for further guidance on cost principles.

ODA reserves the right to:

- Reject any or all proposals received;
- Waive or modify minor irregularities in proposals received after prior notification and agreement of applicant;

- Provide partial funding for specific proposal components that may be less than the full amount requested in the grant application;
- Require a good faith effort from the project sponsor to work with ODA subsequent to project completion to develop reporting data or implement the project results, where applicable;
- Withhold any payments that do not meet grant conditions.
- Require return or refund of grant monies used for expenditures that are not allowed or unauthorized.

## Federal Funding Accountability and Transparency Act

Recipients of 2020 SCBGP funds must comply with the Federal Funding Accountability and Transparency Act of 2006 (FFATA). This includes obtaining a Dun and Bradstreet Data Universal Numbering System (DUNS) numbers and maintaining a current registration in the Central Contractor Registration (CCR) database.

Please visit <http://fedgov.dnb.com/webform> to obtain a DUNS number and/or

<https://www.uscontractorregistration.com/> to register on the CCR database.

For a complete listing of additional data fields that may be required under the FFATA, please refer to

<https://www.fsrs.gov>

## 9. Post-Award Management (Subject to Change Within Subaward Agreement Terms)

### Subgrantees must ensure they are:

1. Making adequate progress toward achieving the grant project's goals, objectives, and targets
2. Expending grant funds in a way that meets provisions of pertinent statutes, regulations, ODA administrative requirements, and relevant Office of Management and Budget (OMB) Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (circulars)
3. Aware of the requirements imposed upon them by Federal statute and regulation
4. In compliance with records retention and access requirements (6 years retention of all records and documents pertaining to award post final check received on agreement)
5. Using federal funds responsibly

### Change Key Personnel

When it is necessary to change the program contact for a period of more than three (3) months, submit a written request (email is acceptable) to ODA. Request should contain the new individual's name and contact information.

### Scope or Performance Measures

When it is necessary to modify the scope or performance measures of the award, submit a written justification for the change along with the revised scope or performance measures of the award to ODA.

### Extension of Grant Agreement

Where an extension of time is required; the extension(s) must be received

in writing no later than 60 days prior to the expiration date of the award.

The request must contain the following information:

1. The length of additional time required to complete project objectives and a justification for the extension
2. A summary of progress to date (status of project timeline and objectives);
3. An estimate of remaining funds on the scheduled expiration date
4. A projected timetable to complete the project for which the extension is being requested
5. Updated work plan from originally submitted project proposal
6. Signature of the Program Coordinator

## Budget Changes

The project budget is subject to change. If it becomes necessary to modify the Budget, a request for the change must be submitted to the program coordinator at ODA in writing for prior approval. The request for a Budget change shall include a description of the change and a justification for the change.

*NOTE:* a formal amendment to the Budget will be completed only if funds will be transferred between Budget Categories or new activities are being proposed through a scope change. If requested changes affect existing activities only, prior approval in writing is sufficient for the change.

## 10. Reporting Requirements – (Subject to Change Within Subaward Agreement Terms)

The Department will provide required templates for submission of reports.

The report template is projected to include at a minimum the following sections to detail progress:

### BIANNUAL PROGRESS REPORTS

*Award Years 2016 Forward*

Provide the following information in the order requested:

#### Project Title

Provide the project's title. (Must be the title used in the approved State Plan or as amended.)

#### Federal Project Expenditures to Date

Using the template provided by the Department - list the expenditures to date for your project by federal cost category

- Personnel
- Fringe benefits
- Travel
- Equipment
- Supplies
- Contractual
- Other

#### Program Income

Using the template provided by the Department - give the program income incurred to date for your project by as follows:

- Source/Nature
- Amount approved within the State Plan
- Actual amount earned\

## Activities Performed

Using the template provided by the Department - Address the below sections as they relate to this period of performance.

- Accomplishments
- Estimate the Total Percentage (%) of Work Completed on the Project
- List your accomplishments for this period of performance and indicate how these accomplishments assist in the fulfillment of your project's objective(s), outcome(s), and/or indicator(s).
- Challenges and Developments
- Provide any challenges to the completion of your project or any positive developments outside of the project's original intent that you experienced during this period of performance. If those challenges or developments resulted or will result in corrective actions and/or changes to the project, include those in the space below.
- Solely Enhancing the Competitiveness of Specialty Crops
- If the project has the potential to benefit non-specialty crop commodities, describe the activities that were conducted to ensure that grant funds were used to solely enhance the competitiveness of specialty crops.

## FINAL PERFORMANCE REPORT

*Award Years 2016 Forward*

Provide the following information in the order requested:

### Project Title

Provide the project's title. (Must be the same title used in the approved State Plan or amendment.)

### Project Impact and Findings

Include a summary of the project results of 250 words or less, suitable for dissemination to the public. A statement of results provides a brief description of your project, its success, and/or lessons learned.

### Beneficiaries

Provide the total number of beneficiaries

## Activities Performed

Using the template provided by the Department - Address the below sections as they relate to this period of performance.

- Objectives
- Provide completion information on the approved project's objectives.
- Accomplishments
- List your accomplishments for the project's period of performance, including the impact they had on the project's beneficiaries, and indicate how these accomplishments assist in the fulfillment of your project's objective(s), outcome(s), and/or indicator(s).
- Challenges
- If you experienced any challenges during the project's period of performance, provide a listing of them below. Also, provide the corrective actions you took to address these issues. If you did not attain the approved outcome(s) and indicator(s), provide an explanation in the Corrective Actions.
- Lessons Learned
- Provide recommendations or advice that others may use to improve their performance in implementing similar projects.
- Continuation and Dissemination of Results (If Applicable)
- Describe your plans for continuing the project (sustainability; capacity building) and/or disseminating the project results.

## Outcome(s) and Indicator(s)/Sub-Indicator(s)

Provide the results of the project outcome(s) and indicator(s) as approved in your State Plan and project proposal. The results of the outcome(s) and indicator(s) will be used to evaluate the performance of the SCBGP on a national level.

## Outcome Measure(s)

You will be asked to select the Select the Outcome Measure(s) that were approved for your project.

- Outcome 1:** Enhance the competitiveness of specialty crops through increased sales
- 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 through greater capacity of sustainable practices of specialty crop production resulting in increased yield, reduced inputs, increased efficiency, increased economic return, and/or conservation of resources
- 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 the indicator approved for your project and the related quantifiable result. If you have multiple outcomes and/or indicators, repeat this for each outcome/indicator.

### Data Collection

Explain what data was collected, how it was collected, the evaluation methods used, and how the data was analyzed to derive the quantifiable indicator.

## Federal Project Expenditures to Date

Using the template provided by the Department - list the expenditure totals for your project by federal cost category

- Personnel
- Fringe benefits
- Travel
- Equipment
- Supplies
- Contractual
- Other

## Program Income

Using the template provided by the Department - give the program income incurred to date for your project by as follows:

- Source/Nature
- Amount approved within the State Plan
- Actual amount earned

## Additional Information

Provide additional information available (i.e., publications, websites, photographs) that is not applicable to any of the prior sections.

Be sure to include any documents, publications, or other attachments referenced throughout the report. Submit all supporting documents one time only with your final report in one single pdf file.

## 11.Reimbursement Requests

### Reimbursement

This is a reimbursement only program reimbursements are submitted through the SCBGP Manager for audit of allowable expenditures and prior approval of payments. However, payments are issued by ODA's Accounts Payable Office. Grantee may only request reimbursement for costs that are detailed in the project budget last approved by the ODA.

### Required submission information

All reimbursements must be submitted through the ODA issued Reimbursement Expenditure Request for Funds workbook process (Funds request form and expense tracking detail form), ODA provides each subawardee with Excel Workbooks for use – subawardees will be required to use these to track project expenditures and submit for reimbursements.

### Records Retention

In accordance with Federal regulations, grant recipients should retain all records relating to the grant for a period of six years after the final financial status report has received by ODA or until final resolution of any audit finding or litigation.

## 12. Assistance and Questions

Specialty Crop Block Grant Program  
Market Access and Certification

Oregon Department of Agriculture  
635 Capitol Street NE, Suite 100  
Salem, OR 7301

Gabrielle Redhead, SCBGP Coordinator  
(503) 986-6473  
(541) 913-3440  
gredhead@oda.state.or.us  
<https://oda.direct/SCBGP>

### 13. Appendix A – Allowable Cost, Unallowable Cost and Restrictions

All costs must be associated with project activities that enhance the competitiveness of specialty crops. Failure to mention a particular item of cost in this section is not intended to imply that it is allowable. Please see [2 CFR 200 Uniform Guidance](#) for further guidance on cost principles.

The following list describes specific funding restrictions under the SCBGP. This list is not intended to be all-inclusive. Grantees should consult the Federal cost principles for the applicable organization for the complete explanation of the allowability of costs they address. [2 CFR 200 Uniform Guidance](#)

***Note that the allowable costs listed below may also be cost-shared or brought as part of the required match. Unallowable costs cannot be brought as a match.***

Cost Category	Affected AMS Grant Program(s)	Description, Guidance and Exceptions
Advisory Councils	<b>ALL</b>	<b>Unallowable</b> for costs incurred by advisory councils or committees.
Alcoholic Beverages	<b>ALL with exceptions</b>	<b>Unallowable</b> for alcoholic beverages. <b>Allowable</b> for projects under the <b>SCBGP</b> 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 which require other ingredients are considered a processed product). A processed product is defined as a product that constitutes greater than 50% of the specialty crop by weight, exclusive of added water.

<p><b>Buildings and Land - Construction</b></p>	<p><b>ALL</b></p>	<p><b>Unallowable</b> for the acquisition of buildings, facilities, or land or to make additions, improvements, modifications, replacements, rearrangements, reinstallations, renovations or alterations of an existing building or facility (including site grading and improvement, and architecture fees). This also includes construction and construction-related materials, which may include, but are not limited to the purchase of building materials such as wood, nails, concrete, asphalt, roofing, gravel, sand, paint, insulation, drywall, or plumbing. <b>Allowable</b> for rental costs of land and building space. However, lease agreements to own (i.e., lease-to-own or rent-to-own) are not allowable. The lease or rental agreement must terminate at the end of the grant cycle.</p> <p>A <i>building</i> is any permanent structure designed or intended for support, enclosure, shelter or protection of people, animals or property, and having a permanent roof supported by columns or walls.</p>
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<p>Conferences</p>	<p><i>ALL with exceptions</i></p>	<p><b>Unallowable</b> if the project solely consists of conference/workshop costs as defined in <a href="#">2 CFR § 200.432</a> with the exception of projects funded by the <b>SCBGP</b>.</p> <p><b>Allowable</b> if the conference is a part of a larger project to fulfill the purpose of a grant program’s legislated purpose. Allowable conference costs paid by the non-Federal recipient as a sponsor or host of the conference may include rental of facilities, speakers’ fees, costs of meals (see <a href="#">Meals</a> for restrictions), and refreshments, local transportation, and other items incidental to such conferences with the exception of entertainment costs that are unallowable. If registration fees are collected, the recipient must report fees as program income (See <a href="#">Program Income</a>).</p> <p><b>Allowable</b> to rent a building or room for training; however, where appropriate, AMS encourages the use of technologies such as webinars, teleconferencing, or videoconferencing as an alternative to renting a building or a room. The recipient should use the most cost-effective facilities, such as State government conference rooms, if renting a building or a room is necessary.</p>
<p>Contingency Provisions</p>	<p><b>ALL</b></p>	<p><b>Unallowable</b> for miscellaneous and similar rainy-day funds for events the occurrence of which cannot be foretold with certainty as to the time or intensity, or with an assurance of their happening. Unallowable for working capital for activities/items not</p>

		already in place.
Contractual/Consultant Costs (Professional Services)	<b>ALL</b>	<b>Allowable subject to limitations below.</b> Contractual/consultant costs are expenses associated with purchasing goods and/or procuring services performed by an individual or organization other than the recipient in the form of a procurement relationship. <b>Allowable</b> for contractor/consultant employee rates that do not exceed the salary of a GS-15 step10 Federal employee in the area (for more information, <a href="#">visit the OPM website</a> ). This does not include fringe benefits, travel, indirect costs, or other expenses. Please note that any statutory limitations on indirect costs also apply to contractors and consultants. If rates exceed this amount, the recipient is required to justify the allowability of the cost aligning with <a href="#">2 CFR §§ 200.317-326</a> .
Contributions or Donations	<b>AL L</b>	<b>Unallowable</b> for contributions or donations, including cash, property, and services, made by the recipient to other entities. A non-Federal entity using grant funds to purchase food or services to donate to other entities and/or individuals is unallowable.

<p>Electronic Benefit Transfer (EBT) Machines</p>	<p><b>ALL</b></p>	<p><b>Unallowable</b> for the purchase/lease of Supplemental Nutrition Assistance Program (SNAP) EBT equipment.</p> <p>The USDA Food and Nutrition Service (FNS) has existing funding to expand the availability of SNAP EBT equipment and services at farmers markets through the Farmers Market Coalition and State SNAP agencies. Recipients should review the options listed below to determine which is most appropriate.</p> <ul style="list-style-type: none"> <li>• <a href="#">The Farmers Market Coalition</a> provides SNAP-authorized farmers markets and direct marketing farmers with free SNAP EBT equipment.</li> <li>• <a href="#">State SNAP agencies or farmers market associations</a> offer free SNAP EBT equipment to newly authorized farmers markets and direct marketing farmers.</li> <li>• <a href="#">FNS SNAP and Farmers Markets resources provide additional EBT information.</a></li> </ul>
<p>Entertainment Costs</p>	<p><b>ALL with exceptions</b></p>	<p><b>Unallowable</b> for entertainment costs including 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). Entertainment costs are defined in <a href="#">2 CFR § 200.438</a>.</p> <p><b>Allowable</b> for projects under <b>FMLFPP</b> when the costs relate to the project; however, they</p>

		must not represent all or a majority of the project costs.
Equipment	<b>ALL</b>	<p><b>Unallowable</b> for acquisition costs of general purpose equipment or lease agreements to own (i.e., lease-to-own or rent-to-own).</p> <p><b>Allowable</b> for rental costs of general purpose equipment. Vehicles may be leased, but not purchased. The lease or rental agreement must terminate at the end of the grant cycle. For vehicle and equipment leases or rentals with an acquisition cost that equals or exceeds \$5,000, rates should be in light of such factors as: rental costs of comparable vehicles and equipment, if any; market conditions in the area; alternatives available; and the type, life expectancy, condition, and value of the vehicle or equipment leased. <b>Allowable</b> for acquisition costs and rental costs of special purpose equipment provided the following criteria is met:</p> <ol style="list-style-type: none"> <li>1) Necessary for the research, scientific, or other technical activities of the grant award;</li> <li>2) Not otherwise reasonably available and accessible;</li> <li>3) The type of equipment is normally charged as a direct cost by the organization;</li> <li>4) Acquired in accordance with</li> </ol>

		<p>organizational practices;</p> <ol style="list-style-type: none"> <li>5) Must be used solely to meet the legislative purpose of the grant program and objectives of the grant award;</li> <li>6) More than one single commercial organization, commercial product, or individual must benefit from the use of the equipment;</li> <li>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</li> <li>8) Equipment is subject to the full range of acquisition, use, management, and disposition requirements under <a href="#">2 CFR § 200.313</a> as applicable.</li> </ol> <p><b><u>Definitions</u></b></p> <p><b>Equipment</b> is defined as tangible personal property (including information technology systems) having a useful life of more than one year and a per-unit acquisition cost that equals or exceeds the lesser of the capitalization level established by the non-Federal entity for financial statement purposes, or \$5,000.</p> <p><b>Acquisition cost</b> means the cost of the asset including the cost to prepare the asset for its intended use. Acquisition cost for equipment is the net invoice price of the equipment, including the cost of any modifications,</p>
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		<p>attachments, accessories, or auxiliary apparatus necessary to make it usable for its acquired purpose.</p> <p><b>General Purpose Equipment</b> 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.</p> <p><b>Special Purpose Equipment</b> is equipment used only for research, scientific, or technical activities.</p>
<p><b>Equipment - Information Technology Systems</b></p>	<p><b>ALL</b></p>	<p><b>Unallowable</b> for information technology systems having a useful life of more than one year and a per-unit acquisition cost that equals or exceeds the lesser of the capitalization level established in accordance with GAAP by the recipient for financial statement purposes or \$5,000. Acquisition costs for software includes those development costs capitalized in accordance with GAAP.</p> <p>Information technology systems include computing devices, ancillary equipment, software, firmware, and similar procedures, services (including support services), and related resources. Computing devices means machines used to acquire, store, analyze, process, and publish data and other information electronically, including accessories (or “peripherals”) for printing, transmitting and receiving, or storing electronic</p>

		<p>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.</p> <p><b>Allowable</b> for website development, mobile apps, etc., that are not considered to be information technology systems, but rather social media applications.</p>
Farm, Gardening, and Production Activities and Supplies	<b>FMLFPP</b>	<b>Unallowable</b> for farm, gardening, and production activities, materials, supplies, and other related costs including but not limited to soil, seeds, shovels, gardening tools, greenhouses, and hoop houses.
Fines, Penalties, Damages and Other Settlements	<b>ALL</b>	<b>Unallowable</b> 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	<b>ALL with exceptions</b>	<b>Unallowable</b> with the exception of projects funded under the SCBGP. <b>Allowable</b> for projects under the <b>SCBGP</b> 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 <a href="#">2</a> <a href="#">CFR § 200.201</a>
Fundraising and Investment Management Costs	<b>ALL</b>	<b>Unallowable</b> 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.
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<p><b>General Costs of Government</b></p>	<p><b>ALL</b></p>	<p><b>Unallowable</b> for:</p> <ol style="list-style-type: none"> <li>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;</li> <li>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;</li> <li>3) Costs of the judicial branch of a government;</li> <li>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 <a href="#">§ 200.435 Defense and prosecution of criminal and civil proceedings, claims, appeals and patent infringements</a>); and</li> <li>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</li> </ol>
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		under a program statute or regulation.
Goods or Services for Personal Use	<b>ALL</b>	<b>Unallowable</b> for costs of goods or services for personal use of the recipient's employees regardless of whether the cost is reported as taxable income to the employees.
Indirect Costs - Unrecovered	<b>ALL with exceptions</b>	<b>Unallowable</b> for unrecovered indirect costs. <b>Allowable</b> for projects with match requirements <i>to</i> use unrecovered indirect costs as part of cost-sharing or matching. Unrecovered indirect cost means the difference between the amount charged to the Federal award and the amount that could have been charged to the Federal award under the potential recipient's approved negotiated indirect cost rate.

Insurance and Indemnification	<i>ALL</i>	<i>Allowable</i> as indirect costs for insurance and indemnification.
Lobbying	<i>ALL</i>	<i>Unallowable</i> as defined in <a href="#">2 CFR § 200.450</a> .
Meals	<i>ALL</i>	<p><i>Unallowable</i> for business meals when individuals decide to go to lunch or dinner together when no need exists for continuity of a meeting. Such activity is considered an entertainment cost.</p> <p><i>Unallowable</i> for breakfasts for conference attendees because it is expected these individuals will have sufficient time to obtain this meal on their own before the conference begins in the morning.</p> <p><i>Unallowable</i> for meal costs that are duplicated in a meeting participant's per diem or subsistence allowances.</p> <p><i>Allowable</i> for lunch or dinner meals if the costs are reasonable and a justification is provided that such activity maintains the continuity of the meeting and to do otherwise will impose arduous conditions on the meeting participants.</p> <p><i>Allowable</i> for meals consumed while in official travel status. They are considered per diem expenses and should be reimbursed in accordance with the organization's established written travel policies.</p>
Memberships, Subscriptions, and Professional Activity Costs	<i>ALL</i>	<p><i>Unallowable</i> for costs of membership in any civic or community organization.</p> <p><i>Allowable</i> for costs of membership in business, technical, and professional organizations.</p>

Organization Costs	<b>ALL</b>	<b>Unallowable</b> for costs of investment counsel and staff and similar expenses incurred to enhance income from investments. <b>Allowable</b> with prior approval for organization costs per <a href="#">2 CFR § 200.455</a> .
Participant Support Costs	<b>ALL</b>	<b>Allowable</b> 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, surveys, and focus groups.
Political Activities	<b>ALL</b>	<b>Unallowable</b> for development or participation in political activities in accordance with provisions of the Hatch Act ( <a href="#">5 U.S.C. §§ 1501-1508</a> and <a href="#">§§ 7324-7326</a> ).
Pre-Award Costs	<b>ALL</b>	<b>Allowable</b> if such costs are necessary for efficient and timely performance of the scope of the project work. Such costs are allowable only to the extent that they would have been allowable if incurred after the date of the Federal award. A recipient may incur pre-award costs 90 calendar days before award. Expenses more than 90 calendar days pre-award require prior approval. These costs and associated activities must be included in the recipient's project narrative and budget justification. All costs incurred before the award are at the potential

		recipient's risk. The incurrence of pre-award costs in anticipation of an award imposes no obligation on AMS to award funds for such costs.
Printing and Publications	<b>ALL</b>	<b>Allowable</b> to pay the cost of preparing informational leaflets, reports, manuals, and publications relating to the project; however, the printing of hard copies is discouraged given the prevalence of electronic/virtual publication means.
Rearrangement and Reconversion Costs	<b>ALL</b>	<p><b>Allowable</b> as indirect costs incurred for ordinary and normal rearrangement and alteration of facilities.</p> <p><b>Allowable</b> as direct costs with prior approval for special arrangements and alterations costs incurred specifically for the award.</p> <p>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.</p>

<p><b>Salaries and Wages</b></p>	<p><b>ALL</b></p>	<p><b>Allowable</b> 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).</p> <p><b>Unallowable</b> for salaries, wages and fringe benefits for project staff who devote time and effort to activities that do not meet the legislated purpose of the grant program.</p> <p><b>Example:</b> Salaries and wages charged to the SCBGP for a farmers' market manager to manage and advertise a farmers market that includes non-specialty crop items are</p>
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		unallowable, while salaries and wages for personnel to conduct a cooking demonstration on how to prepare fruits and vegetables are allowable.
Selling and Marketing Costs – Promotion of an Organization’s Image, Logo, or Brand Name	<b>ALL</b>	<p><b>Unallowable</b> for costs designed solely to promote the image of an organization, general logo, or general brand.</p> <ul style="list-style-type: none"> <li>• Promotional items could say “Buy STATE/COUNTY Grown Apples” but not “XYZ Grown”, which promotes XYZ generically.</li> <li>• 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.</li> </ul>
Selling and Marketing Costs – Promotion of Venues that do not Align with Grant Program Purpose	<b>ALL</b>	<b>Unallowable</b> for costs for promotion of specific venues, tradeshow, events, meetings, programs, conventions, symposia, seminars, etc. that do not align

		with the legislated purpose of the grant program.
Selling and Marketing Costs - Promotional Items, Gifts, Prizes, etc.	<b><i>ALL with exceptions</i></b>	<b><i>Unallowable</i></b> for promotional items, swag, gifts, prizes, memorabilia, and souvenirs. <b><i>Allowable with conditions</i></b> for projects funded under <b><i>FMLFPP</i></b> for marketing activities directly related to the funded project. Promotional items include point-of-sale materials, promotional kits, signs or streamers, automobile stickers, table tents, and place mats, or promotional items of a personal nature.
Selling and Marketing Costs - Coupons, Incentives or Other Price Discounts	<b><i>ALL</i></b>	<b><i>Unallowable</i></b> for costs of the value of coupon/incentive redemptions or price discounts (e.g., the \$5.00 value for a \$5.00 clip-out coupon). <b><i>Allowable</i></b> for costs associated with printing, distribution, or promotion of coupons/tokens or price discounts (e.g., a print advertisement that contains a clip-out coupon) as long as they benefit more than a single program or organization.
Selling and Marketing Costs-Food for Displays, Tastings, Cooking Demonstrations	<b><i>ALL with exceptions</i></b>	<b><i>Allowable</i></b> for food for displays, tastings, and cooking demonstrations with prior approval. <b><i>Unallowable</i></b> for projects under <b><i>LFPP</i></b> and <b><i>FSMIP</i></b> for the purchase of food for displays, tastings, and/or cooking demonstrations.

<p>Selling and Marketing Costs-General Marketing Costs</p>	<p><b>ALL with exceptions</b></p>	<p><b>Unallowable</b> for costs designed solely to promote the image of an organization, general logo, or general brand.  <b>Unallowable</b> for projects under <b>FMLFPP</b> for general marketing of the health value of food products. (e.g., “Vegetables keep you healthy!”) <b>Allowable</b> for costs designed to promote products that align with the purpose of the grant program.</p>
<p>Selling and Marketing Costs - Sponsorships</p>	<p><b>ALL</b></p>	<p><b>Unallowable</b> 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 also benefit only the organization offering funding, limiting the beneficiaries to the sponsor organization.</p>
<p>Selling and Marketing Costs - Use of Meeting Rooms, Space, Exhibits that do not Align with Grant Program Purpose</p>	<p><b>ALL</b></p>	<p><b>Unallowable</b> for costs associated with trade show attendance/displays, meeting room reservations, and/or any other displays, demonstrations, exhibits, or rental of space unless the activities specifically align with the purpose of the grant program. See <a href="#">Conferences</a> for more information.</p>

<p>Selling and Marketing Costs - Cookbooks, Recipe Cards, Food Pairings</p>	<p><b>SCBGP</b></p>	<p><b>Unallowable</b> for costs of separate complementary non-specialty crop products. A separate complementary non-specialty crop product means a product closely associated with a specialty crop product, the purchase of one encouraging consumers to buy the other (i.e., cheese and wine).</p> <p><b>Allowable</b> 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 consist of greater than 50% of the specialty crop by weight, exclusive of added water.</p>
<p>Supplies and Materials, Including Costs of Computing Devices</p>	<p><b>ALL</b></p>	<p><b>Allowable</b> for costs incurred for materials, supplies, and fabricated parts necessary to carry out a Federal award. Purchased materials and supplies must be charged at their actual prices, net of applicable credits. Withdrawals from general stores or stockrooms should be charged at their actual net cost under any recognized method of pricing inventory withdrawals, consistently applied. Incoming transportation charges are a proper part of materials and supplies costs. Only materials and supplies actually used for the performance of a Federal award may be charged as direct costs.</p>

		A computing device is a supply if the acquisition cost is less than the lesser of the capitalization level established by the recipient 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	<i>ALL</i>	<b>Allowable</b> when the training is required to meet the objectives of the project or program, including training that is related to Federal grants management.
Travel - Domestic	<i>ALL</i>	<b>Allowable</b> for domestic travel, when costs are limited to those allowed by formal organizational policy and the purpose aligns with the legislated purpose of the program.  The allowable travel cost of recipients that do not have formal travel policies and for-profit entities may not exceed those established by the Federal Travel Regulation, issued by <a href="#">General Services Administration (GSA)</a> , including the maximum per diem and subsistence rates prescribed in those regulations. If a recipient does not have a formal travel policy, those regulations will be used to determine the amount that may be charged for travel costs.
Travel - Government Officials	<i>ALL with exceptions</i>	<b>Unallowable</b> with the exception of projects funded under the SCBGP. <b>Allowable</b> with prior approval for projects under the <b>SCBGP</b> for government officials per <a href="#">2 CFR § 200.444</a> .

<p>Travel - Foreign</p>	<p><b><i>ALL with exceptions</i></b></p>	<p><b><i>Allowable</i></b> with the exception of projects funded under the <b><i>FMLFPP</i></b>. 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. Projects must provide justification for the travel. AMS recommends that recipient search the Foreign Agricultural Service database of GAIN reports (<a href="http://gain.fas.usda.gov/Pages/Default.aspx">http://gain.fas.usda.gov/Pages/Default.aspx</a>) to ensure that proposals will not duplicate information that already exists.</p>
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**14. Appendix B – FY2021 Proposal Score Sheets**