March 19, 2015

GENERAL QUESTIONS

- 1. Q. When are the Grant Proposals due?
 - A. Grant Proposals must be submitted through the State Water Resources Control Board's Financial Application Assistance Submittal Tool (FAAST) by 11:59 pm on Sunday, March 22, 2015. Late submissions will not be accepted.
- 2. Q. Will the California Department of Food and Agriculture (CDFA) provide answers to specific questions regarding the eligibility of Grant Proposals?
 - A. To maintain the integrity of the competitive grant process, CDFA is unable to advise and/or provide individuals with feedback on specific Grant Proposals during Phase II-Submittal of a Grant Proposal. Applicants must determine whether specific Grant Proposals meet the purpose and criteria established for the Specialty Crop Block Grant Program (SCBGP). Refer to page 5 of the 2015 SCBGP Grant Proposal Instructions.
- 3. Q. Can Grant Proposals be submitted under a different funding category than the Concept Proposal?
 - A. No, Grant Proposals cannot be submitted under a different funding category than the Concept Proposal.
- 4. Q. Are a Data Universal Numbering System (DUNS) number and registration on the System for Award Management (SAM) required prior to submitting a Grant Proposal?
 - A. A DUNS number and registration on the SAM is not required prior to submitting a Grant Proposal, but if awarded SCBGP funds, recipients will need to obtain a DUNS number and register on the SAM before SCBGP funds are awarded. Therefore, applicants are highly encouraged to begin the registration process now. Refer to page 3 of the 2015 SCBGP Grant Proposal Instructions.
- 5. Q. Are costs associated with credits/coupons, incentives, or price discounts allowable?
 - A. Costs associated with credits/coupons, incentives, or price discounts are unallowable. However, costs associated with printing, distributing, or promoting coupons/tokens or price discounts (e.g., print advertisement that contains a clip-out coupon) are allowable if they solely promote the specialty crop rather than promote or benefit a program or single organization.
- 6. Q. Can project activities occur outside of the grant period of October 1, 2015 through June 30, 2018, and if so, can the costs of those activities be charged to the grant?
 - A. No, activities that occur outside of the grant duration and their related expenses cannot be charged to the grant. Applicants may use cost-sharing to fund activities prior to the start of the grant duration; however, activities occurring before grant awards are announced would be subject to the risk that grant funding is not subsequently received.

- 7. Q. When are 2015 SCBGP awards announced and can CDFA inform applicants of the status of their application prior to the announcement?
 - A. It is anticipated that the United States Department of Agriculture (USDA) will announce 2015 SCBGP awards in October 2015. USDA has final approval of all proposals awarded funding and CDFA cannot advise applicants of their project status before awards are announced.
- 8. Q. Can applicants be awarded funding for more than one SCBGP project?
 - A. Yes, however duplication of cost or activities is not permitted. Also, applicants should ensure they have adequate capacity to effectively manage multiple SCBGP awards.
- 9. Q. Can the applicant organization change from the Concept Proposal Phase to the Grant Proposal phase?
 - A. Yes, it is possible to change the applicant organization by contacting the FAAST help desk at (866) 434-1083 or faast_admin@waterboards.ca.gov; however, CDFA cannot anticipate how this would be viewed by the technical review committee.
- 10. Q. Can substantial changes be made to the project described in the Concept Proposal?
 - A. Applicants may revise and refine their project during the Grant Proposal phase, and some degree of change is anticipated as the proposal is fully developed or in response to feedback provided. However, substantial changes are discouraged and CDFA cannot anticipate how changes to the scope of a project will be viewed by the Technical Review Committee.
- 11. Q. Where are the Cost Principles for Federal Grants (2 Code of Federal Regulations [CFR] 200 and Federal Acquisition Regulation [FAR] Subpart 31.2) located?
 - A. Links to <u>2 CFR 200</u> and <u>FAR 31.2</u> can be found on page 3 of the 2015 SCBGP Grant Proposal Instructions. <u>2 CFR 200</u> applies to state, local or Indian tribal governments, non-profit organizations, and colleges and universities. <u>FAR 31.2</u> applies to profitmaking organizations.
- 12. Q. Revised March 19, 2015: Where can USDA's 2015 SCBGP Request for Applications (RFA) and additional guidance be found? Were any major changes made from 2014 that could affect 2015 applicants?
 - A. USDA's 2015 SCBGP RFA and additional guidance are available on the <u>USDA Agricultural Marketing Service website</u>. Please keep in mind that USDA's 2015 SCBGP RFA is intended for state departments of agriculture. Therefore, applicants should refer to CDFA's <u>2015 Request for Concept Proposals</u> and 2015 Grant Proposal Instructions for guidance specific to California's program. Changes from the 2014 USDA RFA were not significant in scope and CDFA does not anticipate that these changes will greatly affect 2015 Grant Proposals. CDFA has modified the <u>Allowable/Unallowable Costs and Activities table</u> to meet USDA's 2015 terms and conditions while incorporating California-specific guidance.

2015 SPECIALTY CROP BLOCK GRANT PROGRAM PHASE II. GRANT PROPOSAL

QUESTIONS AND ANSWERS (Q&A)

March 19, 2015

- 13. Q. Can CDFA provide clarification on the Technical Review Committee and CDFA Administrative Review Feedback in FAAST?
 - A. To maintain the integrity and competitiveness of the SCBGP, CDFA is unable to provide applicants with clarification on feedback provided in FAAST.
- 14. Q. How does an applicant organization obtain a Dun and Bradstreet (D&B) Data Universal Numbering System (DUNS) Number?
 - A. To obtain a DUNS number, applicants should visit the <u>D&B website</u> and select "Click here to request your D-U-N-S Number via the Web." Successful 2015 applicants will be required to provide the applicant organization's DUNS number before SCBGP funds are awarded. Applicants are highly encouraged to begin the free registration process now.
- 15. Q. Are references and/or citations required as part of a Grant Proposal?
 - A. References and/or citations are not required under the SCBGP. It is at the applicant's discretion to include them or not, whether in the answers to questions in FAAST or as a supplementary attachment. (Note: Technical Review Committee members are not required to view optional attachments.) For research specific projects, applicants may choose to include citations for clarification purposes, keeping in mind the text box character limits imposed by FAAST. (Note: Additional attachments should not be included if the intention is to circumvent FAAST character limits.)
- 16. Q. Can applicants use any prior year Grant Proposal templates?
 - A. No, applicants should use only the 2015 Grant Proposal templates provided in the 2015 Grant Proposal Instructions and on FAAST.
- 17. Q. Will grant funds be awarded for projects that directly benefit or provide a profit to a single organization, institution, or individual?
 - A. No, grant funds will not be awarded for projects that directly benefit or provide a profit to a single organization, institution, or individual. To receive funding, applicants must clearly demonstrate that the project primarily benefits the California specialty crop industry.
- 18. Q. Is there a recording or PowerPoint available of the 2015 SCBGP Grant Proposal Phase webinar presentation?
 - A. The 2015 SCBGP Grant Proposal Phase webinar was not recorded, but applicants may download a copy of the <u>PowerPoint presentation</u>.

New Questions: March 19, 2015

- 19. Q. Can SCBGP funds be used to purchase prizes for incentives?
 - A. No, all incentives are unallowable. SCBGP funds may not be used to purchase gifts, prizes, memorabilia, or souvenirs. Reference page 2 of the 2015 SCBGP Grant Proposal Instructions, Allowable and Unallowable Costs Table.

March 19, 2015

- 20. Q. Will the due date for 2015 SCBGP Grant Proposals be extended?
 - A. No, the due date for 2015 SCBGP Grant Proposals will not be extended. All Grant Proposals are due by 11:59 p.m. PDT on Sunday, March 22, 2015; no late proposals will be accepted. For this reason, CDFA strongly encourages applicants to submit their Grant Proposals in advance of the deadline.
- 21. Q. If a proposal contains activities or materials developed using another funding source, where should this be disclosed on the application?
 - A. This information may be disclosed in multiple sections of the application, including Sustainability, Funding Sources or Matching Funds/In-Kind Contributions. Applicants should review the description of each question and identify the question(s) most appropriate to their proposal.

ELIGIBILITY

New Questions: March 19, 2015

- 1. Q. Where can applicants access information regarding the eligibility of a particular crop or commodity?
 - A. Applicants can access a list of eligible specialty crops on the United States Department of Agriculture's Agricultural Marketing Service website.

FAAST APPLICATION

- 1. Q. If there is a change in the applicant organization name, where in FAAST can this change be made?
 - A. To change the applicant organization name, log onto FAAST using your username and password. Click on Update Organization Profile, then click on Organization Change Request. You can also contact the FAAST Help Desk at 1-866-434-1083 or faast_admin@waterboards.ca.gov.
- 2. Q. Can applicants make adjustments to their project duration in Phase II-Grant Proposal?
 - A. Applicants may adjust their project duration so long as all activities occur within the grant period (October 1, 2015 through June 30, 2018).

New Questions: March 19, 2015

3. Q. What are the computer system requirements necessary to use FAAST?

A. The FAAST System Administrator recommends using a PC with Internet Explorer (6.0 or higher) and disabling pop-up blocking software while using FAAST. CDFA strongly encourages applicants to submit their Grant Proposals in advance of the deadline to ensure there is adequate time to resolve any technical issues that may arise. CDFA is not responsible for any submission issues that may arise from applicants using non-recommended operating systems or browsers. No deadline extensions will be granted.

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No questions posted at this time.

PROGRAM PRIORITIES

No questions posted at this time.

PRIOR YEAR SCBGP PROJECTS

- Q. If the Grant Proposal builds on a previously funded SCBGP project, should the previously funded SCBGP project grant agreement number(s) be provided?
 - A. Yes, the previously funded SCBGP project grant agreement number(s) should be provided if the Grant Proposal builds on a previously funded SCBGP project, and if the grant agreement number was not provided in the Concept Proposal phase. If the grant agreement number is unknown, applicants should provide as much information about the previously funded SCBGP project as possible, such as Proposal Identification Number (PIN), name of the organization granted the SCBGP award, and SCBGP year (i.e. 2010, 2011, etc.) so CDFA and USDA can identify the previously funded SCBGP project.
- 2. Q. If the Grant Proposal builds upon a previous SCBGP funded project implemented by another organization should this be mentioned under the Prior Year SCBGP projects section?
 - A. Yes, if a project builds upon a previous SCBGP funded project implemented by another organization it should be mentioned under the Prior Year SCBGP projects section. Applicant must expand on how the project differs from, complements, or builds upon the previous project's efforts, the results of the completed work, and the long-term quantifiable effects of these results (emphasizing the impact on California's specialty crop industry).

March 19, 2015

SUSTAINABILITY

- 1. Q. What information should applicants provide in response to the Sustainability question?
 - A. Applicants should describe either the likelihood of the project becoming self-sustaining and not indefinitely dependent on SCBGP funds for the project to continue and/or; the benefit(s) to California's specialty crop industry resulting from the project that will continue to benefit the specialty crop industry after the project is complete.

SPECIALTY CROP ENHANCEMENT

- 1. Q. Are projects with the potential to benefit non-specialty crops eligible to receive funding?
 - A. SCBGP funds can only be used to benefit eligible specialty crops. If a project has the potential to benefit ineligible commodities, the response to the Specialty Crop Enhancement question must demonstrate the tracking mechanisms and processes that are in place or will be implemented to verify all SCBGP funds are expended on activities and costs that solely enhance the competitiveness of eligible California specialty crops.

FUNDING SOURCES

No questions posted at this time.

POTENTIAL IMPACT

- 1. Q. Should applicants quantify both the specialty crop beneficiaries and the potential economic impact of the proposed project?
 - A. Yes, applicants must quantify (numeric values, percentages, scores or indices) both the specialty crop beneficiaries (how many people, producers, growers, etc.) and the potential economic impact (increase in sales) of the proposed project.
- 2. Q. The Potential Impact question refers to projects with a multistate or national impact. Is there preference given to proposals that have a multistate or national impact?
 - A. If a project is expected to have a multi-state or national impact, this should be clearly stated in the response to the potential impact question. However, there is no preference given to proposals with a multistate or national impact. Refer to the Scoring Criteria, page seven of the Grant Proposal Instructions.
- 3. Q. Where in the Grant Proposal should the number of project beneficiaries be stated?
 - A. The number of project beneficiaries should be included in the response to the Potential Impact question.

March 19, 2015

- 4. Q. Does impacting low-income families strengthen a proposal?
 - A. Impacting low-income families is not a requirement under the SCBGP or a factor in the scoring criteria for the Potential Impact question. It is up to the applicant to determine if impacting low-income families aligns with their project purpose.

EXPECTED MEASURABLE OUTCOME

- 1. Q. What elements must each expected measurable outcome include?
 - A. Measurable outcomes must include a goal, performance measure, benchmark and target. Refer to page 10 of the 2015 SCBGP Grant Proposal Instructions on Guidance for Developing Expected Measurable Outcomes.
- 2. Q. What is the difference between a goal, performance measure, benchmark, and target?
 - A. A *goal* is what is hoped to achieve as a result of conducting the activities and producing the outputs (tangible results that can be seen, touched, handled, or moved about) of the project. Examples of outcome-oriented goals could include a change in knowledge, change in behavior, and change in conditions that make a difference for the beneficiaries of the project.

A **performance measure** for each goal is used to measure the actual project results compared to the expected results. These are usually expressed in quantifiable terms and should be objective and measurable (numeric values, percentages, scores, and indices, although, in certain circumstances, qualitative measures are appropriate).

The **benchmark** is the baseline data against which the project's success is measured. Examples of a benchmark could include current or initial level of knowledge, current behavior, or current conditions.

A *target* is the quantity of change that is anticipated by the completion of the project for each benchmark provided. This is NOT the target audience or target population. Targets may be framed in terms of: a) Absolute level of achievement (ex: train 150 specialty crop farmers); b) Change in level of achievement (ex: train 150 specialty crop farmers, 35 more than last year); or c) Change in relation to the scale of the problem (ex: train 150 specialty crop farmers, approximately 10 percent of the region's specialty crop farmer population.) Refer to page 10-12 of the 2015 SCBGP Grant Proposal Instructions.

- 3. Q. The Expected Measurable Outcomes refer to an event or condition that is external to the Grant Proposal project. What is meant by "external?"
 - A. The activities of the grant proposal project are internal. The result or outcome of those activities is external. For example, work plan activities such as experiments, surveys or workshops conducted are internal activities of the project. The changes in knowledge, behavior or practices that result from those activities are external.

March 19, 2015

- 4. Q. In what section of the Grant Proposal should performance measures be included?
 - A. Performance measures should be included in both the Expected Measurable Outcome section and the Performance Monitoring Plan. Measurable outcomes must include measures or indicators used to observe progress and measure actual results compared to expected results (e.g. numeric values, percentages, scores, and indices). Performance measures are also appropriate in the Performance Monitoring Plan template, which requires applicants to describe how data will be used to monitor and improve performance.
- 5. Q. Would expected measurable outcomes that detail an increase in awareness and intent to purchase be adequate to demonstrate an increase in specialty crop sales?
 - A. In lieu of quantified increases in sales, outcomes detailing increased awareness and intent to purchase may be acceptable indicators of potential economic impact if they are distinct, quantifiable, and measurable and are of direct importance to the intended specialty crop beneficiaries. Examples of outcome measures may include per capita consumption, consumer awareness as a percent of target market reached, and market penetration based on sales by geographic region.

PERFORMANCE MONITORING PLAN

No questions posted at this time.

WORK PLAN

- 1. Q. Who needs to be listed in the Work Plan?
 - A. The Work Plan should only list SCBGP-funded personnel responsible for carrying out project activities to demonstrate the requested funding is warranted.
- 2. Q. What is the time frame for activities described in the Work Plan?
 - A. The Work Plan should only include activities that occur within the grant period (October 1, 2015 through June 30, 2018).
- 3. Q. Should activities funded by match and/or in-kind contributions be included in the Work Plan?
 - A. No, activities funded by match and/or in-kind contributions should not be included in the Work Plan.

March 19, 2015

PROJECT COMMITMENT

- 1. Q. What are applicants required to include under Project Commitment?
 - A. Applicants are required to identify specific specialty crop stakeholders, individuals, and organizations outside the applicant organization who are not involved in but in support of the project. For each stakeholder, individual and organization listed, applicant must explain how and why they support the project.
- 2. Q. Are letters of support required?
 - A. Letters of support are not a requirement of the SCBGP, but are strongly encouraged in demonstrating industry support for your project. Letters of support may come from specialty crop stakeholders, individuals, and organizations outside the applicant organization not involved in but in support of the project. Letters of support that come from the applicant, employees of the applicant, cooperators, contractors, or any other entity that will receive project funding should not be included. In addition, please note that unique letters of support, rather form letters, may be viewed as a stronger indicator of support by the Technical Review Committee.
- 3. Q. Is there a prohibition against attaching letters of support from a prior year SCBGP proposal?
 - A. There is no prohibition against attaching letters of support from a prior year SCBGP proposal. However, CDFA cannot anticipate how the technical review committee would view letters of support from a prior year or whether they would be seen as having the same merit as current letters of support.
- 4. Q. Who should be listed as cooperating entities?
 - A. Cooperating entities are organizations an applicant will be working with to plan and/or implement the proposed project. Cooperating entities can include individuals who may receive a portion of the SCBGP funds and/or provide Matching Funds or In-Kind Contributions.
- 5. Q. The Project Commitment question includes instructions to identify stakeholders not involved in the project that support the project and to describe how and why they support the project. What is meant by "not involved" and "how?"
 - A. The use of the language "not involved in" distinguishes between the organization(s) that will receive SCBGP funds to carry out the project activities and the specialty crop stakeholders that support the project without direct involvement. The anticipated benefit of any project should be sufficient to have the support of stakeholders that are not also directly involved in the work of the project. "How" refers to the nature of the support from organizations outside of the participants. While not all-inclusive examples may include: support of the expected outcome and their impact on the industry, the endorsement of the organizations involved in the work of the project and their capacity to achieve the project goals or a willingness to support the continued project work after the grant duration to ensure sustainability.

2015 SPECIALTY CROP BLOCK GRANT PROGRAM

PHASE II, GRANT PROPOSAL QUESTIONS AND ANSWERS (Q&A)

March 19, 2015

- 6. Q. In the note for the Project Commitment question, cooperators are included in the list of entities for which a letter of support should not be included. If an organization was listed in FAAST as a cooperating entity in the Concept Proposal, should a letter of support from that organization not be included in the Grant Proposal application?
 - A. Project Commitment should demonstrate specialty crop industry stakeholder support for a proposal beyond the applicant organization and any participants in the project or recipients of SCBGP funds. If an organization was listed in the Concept Proposal as a cooperating entity, but will not be directly involved in the work of the project or receive SCBGP funding, that organization may be an appropriate source of a letter of support.
- 7. Q. What is the difference between matching funds and/or in-kind contributions and letters of support?
 - A. Matching funds refers to real dollar contributions to a project from sources other than the SCBGP. In-kind contributions refers to the determined value of assets donated to the project (i.e., equipment, use of land, volunteered staff time). If matching funds and/or in-kind contributions, also sometimes referred to as "cost-sharing," have been secured, documentation is required. Letters of support (not required but strongly encouraged) are non-financial endorsements demonstrating support of the project from specific specialty crop stakeholders, individuals, and organizations outside the applicant organization.
- 8. Q. To whom should letters of support be addressed?
 - A. Letters of support should be addressed and sent to the Grant Proposal applicant. Applicants can attach letters of support in FAAST under the Attachments tab.
- 9. Q. Is there a limit on the amount of letters of support an applicant may attach to the Grant Proposal?
 - A. Letters of support are not a requirement of the SCBGP, so there is no rule limiting the amount of letters that may be attached.

BUDGET NARRATIVE

- 1. Q. Can modifications be made from the Concept Proposal to either increase or decrease the budget amount requested in the Grant Proposal?
 - A. Yes, modifications can be made from the Concept Proposal to either increase or decrease the budget amount requested in the Grant Proposal. If the budget amount requested changes, the budget amount should be updated in FAAST. While there are no requirements regarding the maximum amount that the budget may change, drastic changes (+/- 20%) may be questioned. Most importantly, the new budget amount must range between \$50,000 to \$450,000.
- 2. Q. What type of detail should be provided under travel?
 - A. For **each** trip and grant year, indicate the destination, purpose of the trip, number of people traveling, number of days traveling, total airfare costs, total ground transportation costs (taxi, shuttle, bus, vehicle rental), lodging, meal costs, and total mileage and mileage rate for travel. Refer to page 13 of the Grant Proposal Instructions.

- 3. Q. Would costs for updating an applicant organization's brand, image, or logo as part of a promotional campaign to increase sales of "XYZ GROWN" specialty crop commodity be considered an allowable cost?
 - A. Costs for updating an applicant organization's brand, image, or logo are not allowable, even as part of a promotional campaign to increase sales of a specialty crop. Generally, SCBGP funds must be used to solely promote the eligible specialty crop, rather than an organization's brand, image or logo.
- 4. Q. Can costs for meals be charged to the SCBGP project when conducting a meeting?
 - A. Yes, lunch or dinner meals may be charged to the project if costs are reasonable and a justification is provided that such activity is necessary, maintains the continuity of the meeting and to do otherwise will impose arduous conditions on the meeting participants.
- 5. Q. What is the limit for compensation for individual contractors/consultants?
 - A. Compensation for individual contractual fees should be reasonable and consistent with fees in the marketplace for similar services. Hourly rates/flat fees for contractors/consultants cannot exceed the GS-15 step 10 for your locality/area without justification. A justification for an individual contractor/consultant may include but is not limited to: a cost/price analysis; an explanation of unique qualifications, special expertise due to the complexity of the project/task or limited pool of available or qualified contractors/consultants; or historical data supporting the rate charged by contractors/consultants. Refer to page 4 of the Allowable and Unallowable Costs and Activities Table.
- 6. Q. Are there requirements for selecting contractors/consultants?
 - A. All contractors/consultants must be selected using a competitive process. The contractual/consultant portion of the budget narrative must include an acknowledgement statement such as "A competitive process was or will be conducted in selecting a contractor/consultant." Refer to page 16 of the 2015 SCBGP Grant Proposal Instructions.
- 7. Q. Would the costs for an exhibit or rental of space at a conference that is not specific to specialty crops be considered allowable?
 - A. The costs may be allowable if the exhibit or rental space is used solely to promote eligible specialty crops. Refer to page 12 of the 2015 SCBGP Grant Proposal Instructions, Allowable and Unallowable Costs Table.
- 8. Q. Can marketing materials created to promote an eligible specialty crop include both the applicant and partnering organization's logos?
 - A. Inclusion of the applicant or partnering organizations logos is allowable on marketing materials if the purpose of the materials is to solely promote the eligible specialty crop, rather than any organization(s).

2015 SPECIALTY CROP BLOCK GRANT PROGRAM PHASE II, GRANT PROPOSAL

QUESTIONS AND ANSWERS (Q&A) March 19, 2015

- 9. Q. Are costs for leasing a vehicle using SCBGP funds to fulfill grant funded activities allowable?
 - A. Costs for leasing a vehicle using SCBGP funds to fulfill grant funded activities may be allowable if the applicant is able to demonstrate that the vehicle lease is necessary to carry out the activities of the project and will be used solely to enhance the competitiveness of California specialty crops.
- 10. Q. Are costs to develop branding/logos that are not organization specific but rather campaign specific, i.e. developing common brands, symbols that tie the campaign together and perhaps tie it to the farmers' markets campaign allowable?
 - A. Costs to develop branding/logos that are not organization specific but rather campaign specific may be allowable if the applicant is able to demonstrate that the advertising solely benefits California specialty crops rather than organizations, individuals, or entities. Costs associated with farmers' markets are generally unallowable, as they involve non-specialty crop commodities. The applicant would need to adequately detail the processes in place to ensure SCBGP funds are used to solely benefit specialty crops.
- 11. Q. If additional equipment is added to the budget narrative does justification for the change in the budget amount need to be provided?
 - A. If the equipment is scientific or technical in nature and has a purchase cost that equals or exceeds \$5,000, it may be added to the budget narrative under special purpose equipment. Justification for the change in budget amount is not needed; however, as with all special purpose equipment requests, include a description of the equipment's purpose and intended use.
- 12. Q. Is renting general purpose equipment allowable?
 - A. Renting general purpose equipment may be allowable if the applicant can demonstrate that the equipment is necessary for activities of the project and solely enhances the competitiveness of California specialty crops.
- 13. Q. Can SCBGP funds be used to purchase specialty crops for tastings and/or vegetable carts to create exposure to specialty crops?
 - A. SCBGP funds cannot be used to purchase specialty crops for tastings and/or vegetable carts to create exposure to specialty crops unless the tastings are part of broader nutritional education curriculum.
- 14. Q. Is a budget template required in the Grant Proposal phase?
 - A. No, applicants are only required to complete a Budget Narrative. It is not necessary to update the Concept Proposal budget template or complete a new budget template.

- 15. Q. What is the difference between "special purpose" and "general purpose" equipment?
 - A. Both "special purpose" and "general purpose" equipment refer to tangible personal property having a useful life of more than one year and an acquisition cost that equals or exceeds \$5,000 per unit. "Special purpose" equipment is used only for research, scientific, or other technical activities and may be conditionally allowable. "General purpose" equipment is used for purposes other than research, scientific, or other technical activities and is not allowable.
- 16. Q. Are the costs for purchasing and/or building a greenhouse allowable?
 - A. Purchasing and/or building a greenhouse is considered a capital expenditure, which is unallowable under the SCBGP. Capital expenditures are costs to acquire capital assets or expenditures to make additions, improvements, modifications, replacements, rearrangements, reinstallations, renovations, or alterations to capital assets that materially increase their value or useful life.
- 17. Q. Is health insurance considered an indirect cost?
 - A. Health insurance for personnel conducting project activities funded by the SCBGP is considered fringe benefits, which is a direct cost. Insurance costs incurred for common or joint objectives that cannot be identified specifically with a particular project, program, or organizational activity is considered an indirect cost, such as property or liability insurance.
- 18. Q. What is the maximum amount of indirect costs an organization is allowed and what are some examples of indirect costs?
 - A. The maximum amount of indirect costs an organization is allowed is five percent of the total personnel plus fringe benefits costs. Examples of common indirect costs include administrative or clerical services, information technology services, rent, utilities and internet service, telephone service (mobile and land-line), general office supplies, and insurance.
- 19. Q. Can applicant, contractor, or cooperator logos be included on project materials such as recipe cards or video productions?
 - A. SCBGP funds can only be used to promote eligible specialty crops. It may be allowable for applicants to include their own logo or that of a cooperator on project materials if there is an apparent benefit to the eligible specialty crop, rather than the applicant or cooperator. In addition, USDA has requirements on the use of its logo and standard language to be included on any such materials. Refer to the most recent Grant Management Procedures Manual.
- 20. Q. Should applicants modify or delete the Concept Proposal Budget Template for submission of Phase II-Grant Proposal?
 - A. No, the Concept Proposal Budget Template should not be modified or deleted. Although applicants will complete the Budget Narrative rather than the Budget Template during the Grant Proposal phase, the Concept Proposal Budget Template is still needed for CDFA administrative purposes.

2015 SPECIALTY CROP BLOCK GRANT PROGRAM PHASE II, GRANT PROPOSAL

QUESTIONS AND ANSWERS (Q&A) March 19, 2015

- 21. Q. If a change in budget is made during the Grant Proposal phase, where does the applicant need to document the modified budget amount?
 - A. The new budget amount should be reflected in the Grant Proposal's Budget Narrative as well as in FAAST under Funds Requested (\$) and Total Budget (\$). Changes do not need to be made to the Budget Template Excel document completed during the Concept Proposal phase.
- 22. Q. Can SCBGP funds be used to purchase non-specialty crop items (e.g., flour, soy sauce, salad dressing, salt, pepper, rice) if the items are necessary for the promotion of the specialty crop (i.e., cooking demonstration and/or recipes)?
 - A. SCBGP funds may be used to purchase non-specialty crop items for recipes/processed products as long as the main focus is on the specialty crop and the specialty crop makes up more than 50 percent of the recipe/processed product by weight (excluding water). Also, if purchasing a large amount of non-specialty crop commodities, applicants are required to use other funding.
- 23. Q. Is hiring/contracting with public relations or marketing firms an allowable costs?
 - A. Costs for public relations and marketing are allowable if the costs solely promote eligible specialty crops rather than an individual brand, image, or logo.
- 24. Q. What are information technology systems and services?
 - A. 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.
- 25. Q. May applicants use SCBGP funds to subaward grants to subrecipients as part of a proposed project?
 - A. Yes, applicants may subaward grant funds as long as the funded activities are necessary to carry out the project activities, solely enhance the competitiveness of specialty crops, and primarily benefit the specialty crop industry. When awarding funds as a pass-through entity, organizations must ensure those funds are spent in accordance with the CDFA's SCBGP guidelines, the USDA's program guidelines, and the cost principles for federal grants.
- 26. Q. Are college credits for apprenticeships allowable for participants of the project proposal?
 - A. College credits and associated costs may be allowable if the work is necessary to the project and solely enhances the competitiveness of California specialty crops. Refer to 2 CFR §200.466 Scholarships and student aid costs.
- 27. Q. How do applicants determine if the rate of a contractor/consultant charging a flat fee does not exceed the hourly rate of GS-15 step 10?
 - A. Flat rate fees are not specifically addressed in GS-15 step 10. However, for a contractor/consultant charging a flat fee, the cost should be reasonable and include a basis for the flat rate estimate, such as the timeframe or length of services. A competitive process must be used when selecting a contractor or consultant whether hourly or flat fee.

New Questions: March 19, 2015

- 28. Q. What is the difference between the Budget Narrative and budget justification?
 - A. There is no separate section of the Grant Proposal application for budget justification. Please include any necessary justifications within the text of the Budget Narrative attachment under the appropriate category. Examples of budget items that require justification include, but are not limited to, fringe benefit rates in excess of 50%, contractor rates in excess of GS-15 Step 10, and requests for special purpose equipment. Reference the 2015 SCBGP Budget Narrative template for further instructions.
- 29. Q. Can equipment be considered "special purpose" if it is necessary for the proposed project and will directly impact the competitiveness of specialty crops?
 - A. No, all "special purpose" equipment must be scientific or technical in nature. Examples of "special purpose" equipment include microscopes, spectrometers, and other items used for scientific analysis. Anything other than scientific or technical equipment is considered "general purpose" equipment and is unallowable in all circumstances, even if the applicant explains how it will enhance the competitiveness of specialty crops. Examples of unallowable general purpose equipment include refrigerators, tractors, office furnishings, telephone networks, information technology systems, printing equipment, and motor vehicles. If general purpose equipment is necessary for the proposed project, consider renting or using matching funds; reference Budget Narrative Q&A #12 and Matching Funds / In-Kind Contributions Q&A #2.
- 30. Q. What is Program Income?
 - A. Program Income is income directly generated by a supported project activity or earned as a result of the award. If Program Income will be earned as a result of the project, the applicant must describe how the income will be used to further enhance the competitiveness of specialty crops. Program Income may not be used for infrastructure, capital improvements, or any other unallowable costs or activities.
- 31. Q. Can CDFA provide guidance on what is considered a reasonable percentage of the overall budget that can be spent on a single category within the budget narrative?
 - A. To maintain the integrity of the competitive grant process, CDFA is unable to recommend "reasonable" amounts for any category in the Budget Narrative. However, please ensure compliance with the following: Indirect Costs must not exceed five percent of Total Personnel and Total Fringe Benefits, contractual rates must not exceed the GS-15 step 10 rate for your area, and total grant amount must be between \$50,000 and \$450,000.
- 32. Q. Should costs be broken down by year in the Budget Narrative?
 - A. Yes, costs must be broken down by year. Provide a subtotal for each grant year under each category in the Budget Narrative.

- 33. Q. Can contractual costs for administrative services be charged directly?
 - A. Yes, contractual costs for administrative services can be charged directly as long as the applicant will contract only for administrative services that can be directly linked to the activities of the grant. To be charged directly, administrative or clerical services must be integral to a project or activity, individuals involved can be specifically identified with the project or activity, the costs are explicitly included in the budget, and the costs are not also recovered as indirect costs.
- 34. Q. Can Indirect Costs be charged to the grant if there are no Personnel or Fringe Benefits costs?
 - A. No, Indirect Costs for the applicant organization should not be charged to the grant if there are no applicant organization Personnel or Fringe Benefits costs.
- 35. Q. Who should be listed under Personnel and who should be listed under Contractual?
 - A. Only persons employed by applicant organization should be listed in the Personnel category. Any Project Directors, Project Managers, Principal Investigators, collaborators, and contractors outside of the applicant organization that are responsible for project activities and will receive a portion of grant funds should be listed under the Contractual category in the Budget Narrative.
- 36. Q. Who can receive a portion of grant funds?
 - A. It is at the discretion of the applicant to determine which personnel affiliated with a project should receive grant funds. Project Directors, Project Managers, Principal Investigators, and collaborators are all eligible to receive a portion of grant funds if they are directly responsible for project activities; however, applicants must attach a resume or curriculum vitae for any personnel who will receive a portion of the project funds. Please refer to Project Oversight Q&A #1.
- 37. Q. What is the definition of Fringe Benefits?
 - A. Fringe benefits are allowances and services provided by employers to their employees as compensation in addition to regular salaries and wages. Fringe benefits should follow an organization's established policy and may include, but are not limited to, the costs of leave (vacation, family-related, sick or military) employee insurance, pensions, and unemployment benefit plans. Please refer to 2 CFR 200.431.
- 38. Q. Is the applicant permitted to delete the instructions under each category in the Budget Narrative to allow for space?
 - A. Yes, applicants should delete the instructions from under each category in the Budget Narrative.
- 39. Q. Can vehicles leased with SCBGP grant funds be used for other purposes?
 - A. Vehicles leased with SCBGP grant funds may only be used to support project activities that will solely enhance the competitiveness of specialty crops.

March 19, 2015

MATCHING FUNDS / IN-KIND CONTRIBUTIONS

- 1. Q. Are Matching Funds and In-Kind Contributions required?
 - A. Matching funds and In-Kind Contributions are not a requirement of the SCBGP, but are strongly encouraged and may be viewed by the Technical Review Committee as an indicator of industry support. If Matching Funds and/or In-Kind Contributions have been secured, attach documentation confirming the contribution source, type, and amount of the contribution as well as activities that will be conducted in support of the project and a brief explanation of how Matching Funds/In-Kind Contributions will be used to support the project. Refer to page 9 of the 2015 SCBGP Grant Proposal Instructions.
- 2. Q. If the amount of Matching Funds has decreased from the Concept Proposal phase to the Grant Proposal phase, does the amount of SCBGP funding requested need to be reduced?
 - A. If the amount of matching funds has decreased from the Concept Proposal phase to the Grant Proposal phase, there is no need to reduce the amount of SCBGP funding requested unless the project scope changes as a result of the change in matching funds.
- 3. Q. If a project plans to use matching funds to cover unallowable costs under the SCBGP where should this information be included in the Grant Proposal?
 - A. Matching funds used to supplement unallowable costs should be documented in response to the Matching Funds/In-Kind Contributions questions. If matching funds cover costs that have the potential to benefit non-specialty crops, this should also be addressed in the response to the Specialty Crop Enhancement question.
- 4. Q. Can the time spent by a third party working on project activities be used as an In-Kind Contribution?
 - A. Yes, the time spent by a third party working on project activities can be used as an In-Kind Contribution. Applicant should provide an estimate of the total In-Kind Contribution amount based on the rate the individual would normally be compensated for the same work.

New Questions: March 19, 2015

- 5. Q. Are there any requirements or restrictions on what types of organizations or funding sources may contribute Matching Funds or In-Kind Contributions?
 - A. Matching Funds and In-Kind Contributions are not a requirement of the SCBGP; reference Matching Funds / In-Kind Contributions Q&A #1. There are no restrictions on what types of organizations may contribute Matching Funds and In-Kind Contributions. However, please note that activities funded under the SCBGP cannot duplicate activities funded by another federal or state grant program. If the proposal has been or will be submitted to another federal or state grant program, ensure that a detailed response is provided under the Funding Sources question in the Grant Proposal application.

2015 SPECIALTY CROP BLOCK GRANT PROGRAM PHASE II, GRANT PROPOSAL

QUESTIONS AND ANSWERS (Q&A)

March 19, 2015

PROJECT OVERSIGHT

- 1. Q. Is a narrative required for the Project Oversight question?
 - A. A narrative is not required for the Project Oversight question; however applicants must attach a resume or curriculum vitae for the Project Director(s), Project Manager(s), Principal Investigator(s), and any collaborators who will receive a portion of the project funds and directly manage SCBGP activities. Refer to page 9 of the 2015 SCBGP Grant Proposal Instructions.
- 2. Q. What is the difference among the Project Director, Project Manager, and Principal Investigator?
 - A. Generally, the Project Director is the applicant organization's authorized representative who can execute the grant agreement. The Project Manager is the day-to-day contact on the project from the applicant organization. The Principal Investigator is typically the lead scientist or researcher for the project.
- 3. Q. Is there a limit to the amount of Project Managers a project can have?
 - A. No, there is no limit on the number of Project Managers. It is up to the applicant to determine the appropriate amount.

New Questions: March 19, 2015

- 4. Q. Can the co-PIs listed in the Concept Proposal be changed in the Grant Proposal phase?
 - A. Yes, applicants may change or add co-Pls during the Grant Proposal phase. There are no restrictions on the number of co-Pls that may participate in a project.

GRANT MANAGEMENT AND AUDITS

- 1. Q. For projects awarded funding, what is required in the biannual progress report?
 - A. The biannual progress report is both an account of the project activities as well as expenditures. The progress report is used to identify milestones, results achieved, success stories, potential concerns, and other pertinent information, such as program income. Recipients will receive a progress report template prior to the end of each reporting period. For more information, please view most recent Grant Management Procedures Manual.