

Prior Approval Required

Scope of Work Revisions

Prior approval is required when the scope, objective, or budget of the project changes. A request must be submitted in writing and shall include a description of the revised scope, objective, or budget of the project.

Note: Revisions to the Expected Measurable Outcomes are not allowed except in extreme circumstances. Please consult the assigned Grant Analyst.

Line Item Shift Request

Prior approval is required when a change to budget line items are necessary. A Line Item Shift Request must be submitted and shall include:

- A justification for the change.
- Authorized Representative approval.
- A revised Scope of Work.

Special Purpose Equipment

Prior approval is required for costs associated with expenditures for special purpose equipment with a unit cost of \$5,000 or more. A request must be submitted and shall include:

- A detailed description of the special purpose equipment.
- A justification for the purchase of the special purpose equipment, including how it will further the objectives of the project and benefit the specialty crop industry, rather than one individual or organization.
- A description of how the special purpose equipment will be used to enhance the competitiveness of specialty crops.
- An itemized cost of the special purpose equipment.

Note: General purpose equipment is unallowable. Please see the Grant Management Procedures (GMP) Manual for the definitions of general purpose and special purpose equipment.

Rental of Land

Prior approval is required for costs associated with land rental. A request must be submitted and shall include:

- A detailed description of the purpose of the land rental, including how it will further the objectives of the project.
- Detailed cost of the land rental and what the cost includes (monthly rental cost, annual rental cost, access to the land, utilities, etc.)

Charging Typically Indirect Costs as Direct Costs

Prior approval is required to charge typically indirect costs as direct costs. A request must be submitted and shall include:

- Description of how the administrative or clerical costs are integral to the project or activity.
- Description of the methodology to specifically identify the administrative or clerical costs with the project or activity.
- Confirmation that the costs will not also be recovered as indirect costs.

Domestic and Foreign Travel

Prior approval is required for all travel costs, both foreign and domestic. This includes adding a new trip, changing the location of a previously approved trip, and significant changes to the scope or budget. A request must be submitted and shall include:

- A description of the purpose of the trip, including an explanation of how the trip will further the objectives of the project, benefit the specialty crop industry, and solely enhance the competitiveness of specialty crops.
- Number of people traveling.
- The title of each person traveling.
- Number of days traveling.
- Itemized breakdown of estimated airfare costs.
- Itemized breakdown of estimated ground transportation costs, and method of travel (taxi, rental vehicle, shuttle, public transportation).
- Itemized breakdown of estimated lodging and meal costs.
- Itemized breakdown of estimated number of miles, mileage rate and costs for travel.
- Itemized breakdown of any other estimated travel-related costs (including costs associated with exchange rates).

Note: The maximum travel rates allowable for international travel are those established in a per diem supplement to Section 925, U.S. Department of State Standardized Regulations (www.state.gov). The maximum travel rates allowable for domestic travel are those established by the U.S. General Services Administration (www.gsa.gov). All air travel is subject to the Fly America Act.

Contracting Out or Obtaining the Services of a Third Party

The term “Contractor” below includes Consultants.

Prior approval is required to contract out project work activities or obtain the services of a third party. A request must be submitted and shall include:

- An explanation of how the activities to be performed by the contractor will further the scope or objectives of the project.

- A description of the steps taken to hire a contractor, which includes obtaining a cost/price analysis (bid/quote) from at least three contractors who can perform the service. The purpose of the cost analysis is to review and evaluate each element of cost to determine reasonableness.
- The company name and bid/quote for each analysis.
- A revised budget narrative.

Please also see Contractor/Consultant Rates.

Contractor/Consultant Rates

The term “Contractor” below includes Consultants.

Hourly Rates in Excess of Maximum Allowable Rate

Prior approval is required for an hourly rate in excess of the maximum allowable rate ([GS-15 step 10](#)). A request must be submitted and shall include:

- An explanation of how the activities to be performed by the contractor will further the scope or objectives of the project.
- A description of the steps taken to hire a contractor, which includes obtaining a cost/price analysis (bid/quote) from at least three contractors who can perform the service. The purpose of the cost analysis is to review and evaluate each element of cost to determine reasonableness.
- The company name and bid/quote for each analysis.

If the selected contractor’s specialized qualifications necessitate hiring at a rate exceeding the maximum allowable rate due to the complexity or uniqueness of the project, and the pool of available and qualified contractors is limited, the following information shall also be included in the request:

- A description of the complexity or uniqueness of the project.
- An explanation of how the activities to be performed by the contractor will further the scope or objectives of the project.
- A description of the steps taken to hire a contractor, including a description of the pool of available and qualified contractors contacted.
- A description of the unique qualifications of each contractor contacted.
- The company name and bid/quote for each cost/price analysis.

Flat Fee or Fixed Amount Contracts

If the contract is for a flat fee or a fixed amount, the request shall include:

- An explanation of how the activities to be performed by the contractor will further the scope or objectives of the project.
- A description of the steps taken to hire a contractor, which includes a cost/price analysis from at least three contractors who can perform the service. The

purpose of the cost/price analysis is to review and evaluate reasonableness of the flat fee or fixed amount.

- The basis for determining the flat fee or fixed amount.
- A description of the unique qualifications of the contractor, if applicable.
- The company name and contract amount for each cost/price analysis.

Note: All contracts, whether hourly, flat fee or fixed amount, and regardless of the rate, are subject to the competitive procurement process as required by 2 CFR 200.317 – 200.326.

Change in Recipient Organization, Key Personnel

Prior approval is required for the following:

- Proposed change of the recipient organization. A request must be submitted and shall include:
 - The name, address, and telephone number of the new recipient organization.
 - The name and title of the head of the new recipient organization.
 - The reason(s) for the change.

Please note a Grant Agreement with the new recipient organization and completed Federal Funding Accountability and Transparency Act (FFATA) form will be required after the change in recipient organization is approved.

- Proposed change of key personnel of the recipient organization, such as the Executive Director. A request must be submitted and shall include:
 - The name, title, address, and telephone number of the new key personnel of the recipient organization.
 - The reason(s) for the change.
- Proposed change of key personnel of the project, such as the Principle Investigator or Project Director. A request must be submitted and shall include:
 - The name, title, address, and telephone number of the new key personnel of the project.
 - The reason(s) for the change.

Absence of Key Personnel

Prior approval is required for the following:

- Absence of key personnel for any continuous period of three months or more.
- Key personnel reduces the time base by 25 percent or more.

A request must be submitted and shall include:

- The name, title, address, and telephone number of the new key personnel, if applicable.
- Description of how the impact to the project will be minimized or eliminated.

Selling and Marketing Costs

Prior approval is required when selling and marketing costs will change from the originally approved costs, or if selling and marketing costs will be added to the project. A request must be submitted and shall include:

- A revised Scope of Work.
- A detailed description of the change/addition, including how it will further the objectives of the project.

Participant Support Costs

Prior approval is required when participant support costs will change from the originally approved costs, or participant support costs will be added to the project. A request must be submitted and shall include:

- A revised Scope of Work.
- A detailed description of the change/addition, including how it will further the objectives of the project.

Farm, Gardening, and Production Activity/Supply Costs

Prior approval is required when farm, gardening, and production activity and supply costs were not included in the originally approved Scope of Work and are now being added, or when there are significant changes to the scope or budget. A request must be submitted and shall include:

- A revised Scope of Work.
- A detailed description of the change/addition, including how it will further the objectives of the project.

Food for Displays, Tastings, and Cooking Demonstrations

Prior approval is required when the costs of food for displays, tastings, and cooking demonstrations were not included in the originally approved Scope of Work and are now being added, or when there are significant changes to the scope or budget. A request must be submitted and shall include:

- A revised Scope of Work.
- A detailed description of the change/addition, including how it will further the objectives of the project.