

2023 California Underserved and Small
Producers (CUSP) Program
Drought Relief Technical Assistance and Direct
Producer Grants

Release Date: January 17, 2023

Proposals Due: March 16, 2023 at 5:00 pm PST

No late applications will be accepted



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PURPOSE

The 2023 CUSP Program- Drought Relief Technical Assistance and Direct Producer Grants is designed to facilitate support for small and medium scale California agricultural producers, or small and medium scale Socially Disadvantaged Farmers and Ranchers¹ through technical assistance with business planning and marketing strategies. The program also includes direct producer drought relief grants for those same priority groups.

Program Components

Part 1: Drought Relief Technical Assistance – Funding for eligible technical assistance providers to support California agricultural producers in applying for Federal and State drought relief grant programs including the CUSP Drought Relief Direct Producer Grant Program, and assistance with business planning, financial and marketing strategies needed to be resilient and stay in business during the on-going drought in California.

Part 2: Drought Relief Direct Producer Block Grant Program: Eligible entities can apply to administer direct grants for small and medium scale producers or small and medium scale Socially Disadvantaged Farmers and Ranchers (SDFR's). The block grant recipient will act as a regional administrator of the CUSP Drought Relief Direct Producer Grant Program and will distribute drought relief grants to aid in addressing specific financial needs due to the on-going drought in California.

FUNDING AND DURATION

The 2023 CUSP Program duration is two (2) years, beginning May 1, 2023- April 30, 2025. Funds may not be expended prior to establishing an executed agreement.

The CUSP program has the following funding amounts available for this current round of funding:

Part 1: Drought Relief Technical Assistance: \$2 million is available for the Drought Relief Technical Assistance Program. Applicants may apply for grants between \$50,000- \$100,000

¹ Socially disadvantaged farmer or rancher" (SDFR's) means a farmer or rancher who is a member of a socially disadvantaged group. "Socially disadvantaged group" means a group whose members have been subjected to racial, ethnic, or gender prejudice because of their identity as members of a group without regard to their individual qualities. These groups include all of the following: (1) African Americans (2) Native American Indians (3) Alaskan Natives (4) Hispanics (5) Asian Americans (6) Native Hawaiians and Pacific Islanders.

Part 2: Drought Relief Direct Producer Block Grant Program: \$20 million is available for the Block Grant Program for organizations to administer drought relief grants. Organizations can apply to administer between \$500,000 and \$1,500,000 in producer grants.

CDFA will consider an applicant’s capacity and demonstrated experience administering block grants to make annual funding determinations on all Part 2 Block Grant Program applications.

Approximate funds available from CDFA for this RFA	Funding Tracks	Minimum Award	Maximum Award	Grant Term
\$2 million	Part 1: Drought Relief Technical Assistance	\$50,000	\$100,000	2 years
\$20 million	** Part 2: Drought Relief Direct Producer Block Grant Program to administer grants for small and medium scale producers or small and medium scale SDFR’s. (This component is OPTIONAL for Part 1 applicants)	\$500,000	\$1,500,000	2 years

Additional Funding Details:

- ****Organizations applying ONLY to Part 2: Drought Relief Direct Producer Block Grant Program can receive 10% of the total direct producer funds awarded as allocation to cover administrative costs associated with administering and distributing the funds directly to producers (application review, past CUSP award verification, and processing and distribution of the drought relief grant checks). Organizations applying to Part 1 only, OR Part 1 AND Part 2 (one application) will develop their own budget and can include up to 30% of Salaries and Fringe as indirect costs.**
- The CDFA reserves the right to offer an award amount less than the award amount requested on all funding tracks.
- This is a Reimbursement Grant Program. If awarded a grant, grant recipients will fund the project and submit monthly or quarterly invoices to the CDFA to be reimbursed within 45 days after invoices are approved in most circumstances. The grant agreement must be completed and signed by the CDFA before project activities begin.

- Grant recipients may be eligible to receive an Advance Payment for project expenditures. Please refer to Title 3, California Code of Regulations (CCR) § 316.1 for more information ([website](#))
- Matching Funds are NOT required. The CDFA will fund up to 100% of the total project cost. See Cost Share for more details.
- CUSP Grant Program applicants should refer to the Section 330.1 Allowability of Costs of the California Code of Regulations [website](#) and CDFA's list of allowable and unallowable items of cost pursuant to Section 330.2 of the Final Grant Administration regulations ([Link](#)).

CUSP GRANT PROGRAM TIMELINE

Date	Item
January 17, 2023	Release for Request for Proposals (RFP), Application open in Amplifund
February 2, 2023 1 PM- 2 PM	Application Q&A Session 1 Join Zoom Meeting https://us02web.zoom.us/j/86333941026 Meeting ID: 863 3394 1026 Passcode: Cdfa!220
February 16, 2023 1 PM-2 PM	Application Q&A Session 2 Join Zoom Meeting https://us02web.zoom.us/j/88061801786 Meeting ID: 880 6180 1786 Passcode: Cdfa!220
March 16, 2023	Application Deadline
April 17, 2023	Anticipated Awards Announced

During the February 2023 sessions, the Farm Equity office will answer questions related to the application. Zoom registration links for each session are available above or through the CUSP Program [website](#).

ELIGIBILITY

The following entities are eligible to apply for Part 1: Drought Relief Technical Assistance and/or Part 2: Drought Relief Direct Producer Block Grant Program: **Non-profit organizations, Tribal Governments, County Departments of Agriculture and Resource Conservation Districts (RCDs)**. Entities applying for Part 1: Drought Relief

Technical Assistance, must have demonstrated expertise in assisting small and medium scale producers, or small and medium scale SDFR's in applying to economic or drought relief fund programs, marketing or business planning technical assistance expertise, and administering grant programs. Priority will also be given to organizations with bilingual capabilities and offering technical assistance in languages other than English.

Entities applying for Part 2: Drought Relief Direct Producer Block Grant Program must have demonstrated expertise in managing direct producer grants or previous rounds of CUSP Economic or Drought Relief Direct Farmer Grants.

Executive Order N-6-22 – Russia Sanctions

On March 4, 2022, Governor Gavin Newsom issued Executive Order N-6-22 (the EO) regarding Economic Sanctions against Russia and Russian entities and individuals. "Economic Sanctions" refers to sanctions imposed by the U.S. government in response to Russia's actions in Ukraine, as well as any sanctions imposed under state law. By submitting a grant application, applicant represents that it is not a target of Economic Sanctions. Should the State determine applicant is a target of Economic Sanctions or is conducting prohibited transactions with sanctioned individuals or entities, that shall be grounds for rejection of the Contractor's bid/proposal any time prior to contract execution, or, if determined after contract execution, shall be grounds for termination by the State.

PROGRAM REQUIREMENTS

In developing the Grant Application and Budget, applicants should ensure that all costs are reasonable, necessary to meet the objectives of the project, allowable, and incurred in a manner consistent with the applicant organization's established practices.

All applicants are subject to Title 3, California Code of Regulations, Division 1, Chapter 5 for Grant Administration ([link](#)), including procurement of goods and services, Section 319, and the list of allowable and unallowable items of cost set forth by CDFA's Office of Grants Administration.

Entities that receive grant awards may not charge fees to provide technical assistance to farmers and ranchers. Any outreach materials prepared by the grant recipient must indicate that the assistance is free, and no fees or costs will be imposed on the farmer or rancher.

Grant recipients must prioritize assistance to small and medium scale Socially Disadvantaged Farmers and Ranchers (SDFRs), but all small and medium scale agricultural producers are eligible for CUSP Program technical assistance and drought relief grants.

Part 1: Drought Relief Technical Assistance

Applicant organizations must have technical assistance capacity to serve the needs of small and medium scale agricultural producers through the CUSP Program. This can be demonstrated through existing programs and resources related to business and financial planning, marketing tools and other types of support. Organizations with experience supporting agricultural producers in applying to past or current Federal and State economic relief grant programs, including previous rounds of CDFA's CUSP Program are also encouraged to apply.

All costs incurred must be directly related to and necessary for completion of project. Awarded funds will be paid to the applicant organization. The organization is responsible for following up on disbursement of funds to producers who apply and qualify to the CUSP Drought Relief Grant Program.

Part 2: Drought Relief Direct Producer Block Grant Program This component is to apply for block grant funds to administer rounds of the CUSP Drought Relief Direct Producer Grant Program through direct grants for small and medium scale producers or small and medium scale SDFR producers. Applicants must outline the following components of their proposed block grant program:

- **Communication & Outreach:** Part 2 Block Grant Program applicants (block grant administrators) must clearly outline outreach and dissemination efforts for the CUSP Drought Relief Direct Producer Grant Program in their application. Identify any local or regional partnering organizations that will support outreach and/or provide application support.
- **Direct drought relief fund distribution:** Block grant administrators must develop an implementation plan for the distribution of relief funds through the CUSP Drought Relief Direct Producer Grant Program. The plan should include tentative application period cycles (recurring vs. quarterly rounds), projected timeline for the distribution of funds for the duration of the grant term, any additional eligibility guidelines, languages supported through program outreach, application and/or staff support, and application availability for producers statewide.
- All costs incurred must be directly related to and necessary for completion of the project. Awarded funds will be paid to the block grant administrator. The administrator is responsible for setting up an internal disbursement plan to distribute drought relief funds to producers who apply and qualify for the CUSP Drought Relief Direct Producer Grant Program.

Part 2 CUSP Block Grant Program Administrative Requirements

- **Block Grant fund administrators will have four award tiers available for the CUSP Drought Relief Direct Producer Grant Program so producers can apply according to need and approved practice or expense requested.**

These tiers will be \$2,500, \$5,000, \$10,000 or \$20,000. Producers may apply for multiple rounds of funding, as long as their single or combined award amount(s) do not exceed \$20,000 in a 12-month period.

- CUSP Drought Relief Direct Producer Grant Program applications will be analyzed based on need and eligibility of practices/ expenses verified through required documentation collected by the block grant fund administrator managing the application process. Approved drought-related practices or expenses can also be verified through the CUSP verification checklist form that a Technical Assistance (TA) provider can complete when documentation is difficult to obtain. The form is available on the CUSP Program [website](#).
- Block Grant fund administrators must utilize the application template provided and clearly indicate on all public facing documents that this funding is a component of the CDFA CUSP program.
- Block Grant fund administrators must ensure all CUSP Drought Relief Direct Producer Grant Program application periods are shared with CDFA and other CUSP TA providers at least 30 days in advance of an application period opening.
- **Producer pre-award Verification Process:** CDFA will provide the 12-month and award amount eligibility verification of all individual CUSP Drought Relief Direct Producer Grant Program applications prior to remitting payment to block grant administrators. Block grant fund administrators **must** submit a list of pre-qualified applicants to CDFA prior to notifying producers of awards so that CDFA can verify the producer has not received funds over the 20k annual limit in a one-year period.
- Block grant administrators are responsible for ensuring accountability and verification of drought relief need based on current CUSP Drought Relief Direct Producer Grant Program approved practices/ expenses. Administrators are responsible for keeping records and utilizing existing verification tools and/or working with TA providers to provide verification.
- Funds must be used consistent with state and federal law, and solely for the provision of financial assistance for drought-related approved practices/ expenses for eligible producer applicants.

Current Approved Practices/ Expenses Eligible under the CUSP Drought Relief Direct Producer Grant Program

- Drilling of new wells or repairs on existing wells if sole source of water for operation. To be eligible, an applicant must provide written verification from a Groundwater Sustainability Agency managing the basin or area of the basin where the well is located or proposed to be located approving the action, per Executive Order N-7-22 ([link](#)).
- Increased electric utility bills of 30% or more due to increased electricity rates
- Surface water costs if increase from year prior

- Cost of hauling water for livestock
- Lowering ag well pumps if a primary source of water is lost
- Emergency upgrades to irrigation system (paired with conservation) if not covered through CDFA OEFI programs or USDA programs and for other emergency scenarios.
- Decreased crop yields/crop loss due to less water available or having to fallow land
- Increased feed costs for dairies and livestock operations

HOW TO APPLY

- Grant applications must be submitted electronically through Amplifund by 5:00 p.m. PST on March 16, 2023.
- Applicants are required to complete and submit the 2023 CUSP Grant Program application using CDFA's online grant platform Amplifund. New User training videos, resources, and instructions on how to set up an Amplifund account before applying to the CUSP Grant Program can be found here: <https://www.cdfa.ca.gov/bfftp/pdf/AmpliFundApplicantPortalResources.pdf>

Notification and Feedback

- Applicants will receive notification from Amplifund on the status of their application. Successful applicants will receive specific instructions regarding the award process, including information on invoicing and reporting requirements. Applicants not selected for funding will receive feedback upon request regarding their applications within 60 days of the award announcement date.

REVIEW PROCESS

CDFA will select the highest scoring applications for award of grant funds.

CDFA will conduct two levels of review during the application process. The first level is an administrative review to determine whether grant application requirements are met. The second level is a technical review to evaluate the merits of the grant application based on the detailed scoring criteria outlined below.

During the administrative review, the following may result in disqualification of a grant application:

- One or more unanswered questions necessary for the administrative or technical review.
- Missing, blank or unreadable content.

- Requests for more than the maximum award amount.
- Applications that do not comply with Eligibility or meet Program Requirements.

Grant applications disqualified as a result of the administrative review may be appealed.

APPEAL RIGHTS: Any disqualification taken during the administrative review for the preceding reasons may be appealed to CDFA’s Office of Hearings and Appeals Office within 10 days of receiving a notice of disqualification from CDFA. The appeal must be in writing and signed by the responsible party named on the submitted grant application. It must state the grounds for the appeal and include any supporting documents and a copy of the CDFA decision being challenged. The submissions must be sent to the California Department of Food and Agriculture, Office of Hearings and Appeals, 1220 N Street, Sacramento, CA 95814 or emailed to CDFA.LegalOffice@cdfa.ca.gov. If submissions are not received within the time frame provided above, the appeal will be denied.

Scoring Rubric

Criteria	Maximum Points
Organization Details <ul style="list-style-type: none"> - Applicant Information (Organization name, type, mailing address, website) - CA Senate & Assembly District - Contact Information - Previous CDFA CUSP funded grant program - Other Support from Federal or State Grant Programs 	-----
Project Details <ul style="list-style-type: none"> - Funding Track(s) and Funding Amount(s) Requested - Project Title - Executive Summary 	5
Project Narrative <ul style="list-style-type: none"> - Program Description - Describe the community need for the type of program the applicant is proposing. - Describe the applicant’s history and experience serving small and medium scale agricultural producers and/or small and medium SDFR’s through technical assistance support. (business planning, marketing, other). - Describe the applicant’s experience in supporting agricultural producers in applying to Federal and/or State economic or drought relief grant programs. 	20

<ul style="list-style-type: none"> - For Part 2 Block Grant Program, include the applicant's experience managing block grant funds or passing on funds to agricultural producers through smaller, direct producer grants. - Priority Groups and Impact/ Geographic Region Served - Number of producers expected to be reached (small and medium scale, SDFR's) - Outreach Plan - Include outreach methodologies and engagement activities with priority groups to disseminate program information on the CUSP Program. Include language(s) capacity to reach priority groups. - Include local or regional partnerships that will help support your outreach efforts and program goals. 	
<p>Goals and Intended Outcomes</p> <ul style="list-style-type: none"> - List the project goals and intended outcomes as they relate to the program description. - Anticipated impacts on drought related challenges for small and medium scale producers. - Impact of drought relief direct producer grants. 	20
<p>Project Activities Timeline</p> <ul style="list-style-type: none"> - Complete table outlining project activities that correspond to each program goal and outcome occurring during the grant period, and staff/contractual staff responsible for each activity. 	20
<p>Evaluation (Project Success Measures)</p> <ul style="list-style-type: none"> - Include qualitative and quantitative indicators to measure project achievement and help evaluate overall performance. - Include data collection and tracking methods. 	15
<p>Budget and Budget Narrative</p> <ul style="list-style-type: none"> - Complete budget and budget narrative to accompany project activities timeline. 	20
Total Points	100

GRANT RECIPIENT INFORMATION

Grant Agreement

Applicants with projects selected for award of funds will receive a Grant Agreement package with specific instructions regarding award requirements including information on

project implementation and payment process. Grant agreement execution may take up to 90 or 120 days.

During this step, CDFA will ensure grant recipients receive all of the information to execute the grant. The timeline for this step is dependent on how quickly information is provided to program staff. Below are examples of information that may be requested at this time:

- Std 204, 205 for new recipients to set up supplier ID for issuing payments. This document can now be signed electronically or printed and scanned and sent back via email.
- Grant Agreement Package: This document can now be signed electronically or printed and scanned and sent back via email.

Once a Grant Agreement is executed, grant recipients can begin implementation of the project. Grant recipients are responsible for the overall management of their awarded project to ensure all project activities are completed by the end of the project.

Payment Process

CDFA will provide grant recipients with the necessary grant award and invoice processing requirements and documentation. Funds will be allocated on a reimbursement basis. Invoices can be submitted quarterly or no more than once per month and include all supporting documentation to substantiate expenses.

If you request and are granted an advance payment, please be aware that it will take up to 45 days to process this payment once the grant is executed.

Reporting

Grant recipients must submit quarterly Progress Reports to CDFA identifying activities accomplished in the reporting period for both technical assistance and direct drought relief support, as applicable. CDFA will provide a reporting template and schedule to grant recipients. One final report to CDFA at the conclusion of the grant period will be required.

Reporting metrics include, but are not limited to:

- Total number of individuals assisted, including small and medium scale producers, or small and medium scale SDFR's.
- Type of drought relief assistance needed
- Federal/state funds or programs helped secured
- Demographic data, scale of operation and crops grown

CDFA will facilitate group networking calls to ensure grant recipients can provide updates and share ideas and resources to support sustainability of projects beyond scope of current funding. Additional training and resources will be made available to

grant recipients throughout the grant period, through a partnership with UCANR Small Farm Advisor program.

For auditing purposes, recipients are required to maintain detailed technical assistance records on-site. Additionally, CDFA might request applicant organizations to provide farmer testimonials or short farmer story to highlight the program and demonstrate program impact.

OTHER CDFA GRANT PROGRAMS

Please explore other CDFA grant programs that might be of interest to you on the CDFA grants webpage: <https://www.cdfa.ca.gov/grants/>