

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

Release Date: December XX, 2022

Proposals Due: February XX at 5:00 pm PST

No late applications will be accepted



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PURPOSE

The California Underserved and Small Producers Grant Program (CUSP) is designed to facilitate direct assistance to individual small-scale, mid-scale and socially disadvantaged farmers and ranchers¹ who need support applying for Federal and State drought relief grant programs, technical assistance with business planning and marketing strategies and direct assistance drought relief small grants.

Program Components

Technical Assistance for Underserved Farmers and Ranchers – Funding for technical assistance providers to support farmers and ranchers in applying for Federal and State drought relief grant programs including the CUSP Drought Relief Farmer 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.

OPTIONAL COMPONENT- Direct Drought Relief Assistance for Underserved Farmers and Ranchers – Eligible entities are also able to apply as a “regional administrator” for the CUSP Drought Relief Farmer Grant Program funds to distribute directly to individual farmers and ranchers to aid in addressing specific drought relief financial needs that have been experienced as a result of the on-going drought in California.

FUNDING AND DURATION

The CUSP program has the following funding amounts available for this current round of funding: \$2 million will be available for awards for the Technical Assistance for Underserved Farmers and Ranchers (Technical Assistance) Grant Program, and \$20 million for the Direct Drought Relief Assistance for Underserved Farmers and Ranchers (CUSP Drought Relief Direct Farmer Grant Program).

Applicants may apply for awards between \$25,000- \$100,000 for the technical assistance component. Organizations that choose to include the Direct Drought Relief Assistance for Underserved Farmers and Ranchers component can include a minimum of \$500,000 and a maximum of \$1,000,000 for direct farmer grants, and an additional 10% of the total amount of the direct farmer grants to cover administrative costs associated with administering and distributing the funds directly to producers.

¹ Socially disadvantaged farmer or rancher” 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.

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

Approximate funds available from CDFA for this RFA round	Funding Tracks	Minimum Award	Maximum Award	Maximum Grant Term
\$2 million	Technical Assistance for Underserved Farmers	\$25,000	\$100,000	2 years
\$20 million	Direct Drought Relief Assistance for Underserved Farmers (OPTIONAL)	\$500,000	\$1,000,000	2 years

Additional Funding Details:

- The CDFA reserves the right to offer an award amount less than the award amount requested.
- 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. If eligible, grant recipients must follow the [Advance Payment regulations](#).
- **Matching Funds are NOT required**. The CDFA will fund up to 100% of the total project cost. See **Cost Share** for more details.
- See the list of allowable and unallowable Items of Cost pursuant to Section 330.2 of the Final Grant Administration regulations (Link).
- Additionally, see [Appendix B Additional Information on Allowable Costs on Page 10](#) for guidance regarding use of funds.

Award Timeline:

December XX, 2022	Release for Request for Proposals (RFP)
December XX, 2022, January 15, 2023	Webinars
February XX, 2023	Application Deadline
March XX, 2023	Anticipated Awards Announced

ELIGIBILITY

The following entities are eligible to apply for the Technical Assistance Grants and/or administer the block grant drought relief funds for farmers/ranchers: **Non-profit organizations, Tribal Governments, County Departments of Agriculture and Resource Conservation Districts (RCDs)**. Entities applying for Technical Assistance grants, hereafter referred to as Technical Assistance Providers or TAPs, must have demonstrated expertise in assisting socially disadvantaged, small-scale and medium-scale farmers and ranchers to apply for drought relief fund programs, marketing or business planning technical assistance expertise, and/or administering a grant program.

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 section 330.2 of the Grant Administration Regulations set forth by CDFA’s Office of Grants Administration at:

<https://www.law.cornell.edu/regulations/california/title-3/division-1/chapter-5>.

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 Socially Disadvantaged Farmers and Ranchers (SDFRs) and small-scale producers, but all small-scale and medium scale producers are eligible for drought relief grants and technical assistance under the CUSP program.

HOW TO APPLY

Applicants are required to complete and submit the 2023 CUSP Grant Program application using CDFA's online grant platform Amplifund. More information and instructional videos on how to sign up for an Amplifund account can be found here: <https://www.cdfa.ca.gov/bfftp/pdf/AmpliFundApplicantPortalResources.pdf>

An Amplifund Applicant Portal Training webinar will be held during the application period to provide technical assistance on how to sign up for an Amplifund account and to answer questions on the platform. Please refer to the CUSP Program website for more information on the webinar.

Grant applications must be submitted electronically through Amplifund by 5:00 p.m. PST on February XX, 2023.

Technical Assistance for Underserved Farmers and Ranchers

Clearly describe the organization's current services and program(s) and how they will adapt to include components to provide support for small and mid-scale agricultural producers to face the adverse impacts of drought; include types of technical assistance offered to producers related to business and financial planning, and marketing tools and support. Clearly describe how organization will assist producers to apply for State and Federal drought relief funds including assisting producers to apply for the CUSP drought relief grant funds. All costs 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 farmers who apply to the program.

OPTIONAL COMPONENT- Direct Drought Relief Assistance for Underserved Producers. This section is to apply to administer the regional grant funds directly for farmers and ranchers.

Organizations choosing to administer Direct Grant Assistance for Underserved Producers can submit a budget that includes 10% of total direct grants amount for administrative overhead costs associated with administering the grant program (outreach, application review, distributing relief payment checks).

Direct Drought Relief Assistance for Underserved Producers Program Administrative Requirements:

- The grant amount for producers shall not exceed \$20,000 per producer per 12-month period. Individual awards will be \$5,000 or \$10,000 and verified through records collected by the grantee.

- Grantees must utilize application template provided and clearly indicate that this funding is a component of the CUSP program so as to avoid duplicative applications.
- Grantees must ensure application periods are known in advance by all CUSP grantees
- Grantee must submit complete pre-approved list of potential applicants to CDFA to verify that grantees have not received funding through other organizations during the same 12-month period.
- The applicant organization shall provide clear methods to ensure accountability, and that farmer applicants spend the funding on necessary expenses related to the drought.
- Funding will solely be used for the provision of financial assistance to all eligible participants. Funds must be used consistent with state and federal law.

Drought Relief Assistance Grants- Eligible practices eligible for relief grants

- 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.
- Increased electric utility bills of 50% 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

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 Criteria –Technical Assistance for Underserved Farmers and Ranchers

Criteria	Maximum Points
1. Program Description/ Statement of Need Scoring will be based on the description of activities and how project funding would supplement or increase current TA or activities aimed at drought relief for farmers and ranchers, anticipated impacts of the funding and how well the application described the applicant organizations capacity and outreach in languages other than English	25
2. Project Goals and Intended Outcomes Scoring will be based on the clarity of goals and outcomes as they relate to the program description and statement of need.	25
3. Project Objectives and Timeline Scoring will be based on the description of the activities outlined and how they fit within the project goals and outcomes	25
4. BUDGET Narrative Scoring will be based on the reasonableness of the budget and relevance the project activities and goals.	25
Total Points	100

Scoring Criteria –Direct Drought Relief Assistance for Underserved Farmers and Ranchers

Criteria	Maximum Points
1. Program Description Scoring will be based on applicant description of existing grant program and/or capacity to administer a drought relief grant program.	25
2. Program Outreach and Collaboration Scoring will be based on applicant description on outreach to underserved producers and description of collaboration with other organizations to ensure broad outreach about the program	25
3. Targeting Historically Underserved Producers Scoring will be based on description of how applicant intends to ensure the immediate economic needs of the most vulnerable producers are met with this grant program.	25
4. Fund Distribution Scoring will be based on description of how the applicant would ensure a timely distribution of funds and a detailed description of the accountability measures in place.	25
Total Points	100

Notification and Feedback

All applicants will be notified regarding the status of their grant applications. 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 regarding their applications within 60 days after receiving notification.

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. 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 invoicing documents. Funds will be allocated on a reimbursement basis. Invoices must be submitted quarterly and include all supporting documentation to substantiate expenses.

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. Reporting metrics include, but are not limited to:

- Total number of individuals assisted, including socially disadvantaged producers and/or farms and ranches
- Type of assistance
- Federal/state funds or programs helped secured

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.