

# 2018 SPECIALTY CROP BLOCK GRANT PROGRAM

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## Request for Concept Proposals

CATALOG OF FEDERAL DOMESTIC ASSISTANCE 10.170

Released:  
September 12, 2017

Concept Proposals Due:  
By 5:00 pm PDT on October 13, 2017  
No late submissions accepted.



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# About the Program

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## Purpose

The California Department of Food and Agriculture's (CDFA) Specialty Crop Block Grant Program (SCBGP) funds projects that *solely* enhance the competitiveness of California specialty crops. The SCBGP is designed to support all sectors of California's specialty crop industry and improve the performance of California specialty crops within local, domestic, and international markets. Specialty crops are fruits, vegetables, tree nuts, dried fruits, and horticulture and nursery crops (including floriculture). Visit <https://www.ams.usda.gov/services/grants/scbgp/specialty-crop> for a list of eligible and ineligible commodities and a comprehensive definition of specialty crops.

## Funding and Duration

CDFA anticipates that up to \$19 million will be awarded to projects solely enhancing the competitiveness of California specialty crops. Grant amounts range from \$25,000 to \$300,000. The maximum grant duration is two (2) years, six (6) months, and grant funds cannot be expended before November 1, 2018, or after April 30, 2021. CDFA reserves the right to offer an award amount less than the amount requested.

Funding is contingent upon passage of a Farm Bill and available funding from the United States Department of Agriculture, Agricultural Marketing Service (USDA, AMS).

In addition to the competitive process described in this document, CDFA may award up to \$3 million to proposals submitted through a separate process for projects that address urgent or critical issues affecting California specialty crop agriculture. Projects selected through this process may receive an award amount less than or greater than the range specified above.

## Eligibility

Non-profit and for-profit organizations; local, state, and Federal government entities, including tribal governments; and public or private colleges and universities are eligible to apply. Individuals are not eligible to apply. There is no limit on the number of concept proposals applicants may submit; however, each concept proposal should be for a wholly unique project.

Additional notes to help determine eligibility:

- Grant funds will not be awarded for projects that directly benefit or provide a profit to a single organization, institution, or individual. For example, the program will not fund a project to start or expand a farm or business venture.
- Recipients cannot use grant funds to compete unfairly with private companies that offer equivalent products or services.
- Projects must solely enhance the competitiveness of California specialty crops. Projects benefiting non-specialty crops will not be selected for funding.

- Projects must address at least one of the program priorities identified by CDFA. To view these priorities, visit [pages 6-10 of the 2018 Request for Concept Proposals \(RFCP\)](#).

# Other Grant Programs

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## Projects More Relevant to Other Grant Programs

Applicants with projects in the following subject areas may wish to consider applying to one of the grant programs listed below.

### CalFresh and Nutrition Incentive Projects

Applicants with projects supporting the increase of fruits and vegetables in the CalFresh program by providing incentives at the point of purchase and/or providing technologies for benefit redemption systems should consider submitting those projects to the California Nutrition Incentive Program at [http://www.cafarmtofork.com/CA\\_NutritionIncentiveProgram.htm](http://www.cafarmtofork.com/CA_NutritionIncentiveProgram.htm).

### Farmers' Market and Local Food Projects

Applicants with projects supporting domestic farmers' markets, roadside stands, community-supported agriculture programs, agritourism activities, other direct producer-to-consumer market opportunities, local and regional food business enterprises that process, distribute, aggregate, or store locally or regionally produced food products should consider submitting those projects to the Farmers' Market and Local Food Promotion Program at <http://www.ams.usda.gov/fmpp>.

### Bioenergy Projects

Applicants with projects supporting biobased products and bioenergy and energy programs, including biofuels and other alternative uses for agricultural and forestry commodities (development of biobased products), should see the United States Department of Agriculture (USDA) energy website at <http://www.usda.gov/energy/matrix/home> for information on how to submit those projects for consideration to the energy programs supported by the USDA.

### Irrigation System Upgrade Projects

Applicants with projects to implement irrigation systems that reduce greenhouse gases and save water on California agricultural operations should consider submitting those projects to the State Water Efficiency and Enhancement Program at <https://www.cdfa.ca.gov/oefi/sweep/>.

### Healthy Soils Projects

Applicants with projects to implement or implement and demonstrate agricultural management practices that improve soil organic matter and reduce greenhouse gases on California agricultural operations should consider submitting those projects to the Healthy Soils Program at <https://www.cdfa.ca.gov/oefi/healthysouils/>.

# Solicitation Process and Timeline

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## Phase I: Concept Proposal

CDFA's SCBGP consists of a two-phase solicitation process. During Phase I, applicants must submit a concept proposal (i.e., an overview of their project) online using the Financial Assistance Application Submittal Tool (FAAST) to answer all concept proposal questions. CDFA will advise all applicants as to the outcome of the concept proposal review.

## Phase II: Grant Proposal

For Phase II, successful concept proposal applicants will be invited to submit a grant proposal (i.e., a more detailed description of their project) online using FAAST to answer all grant proposal questions. CDFA will provide applicants with specific grant proposal requirements and instructions along with the invitation to submit grant proposals. CDFA will advise all applicants as to the outcome of the grant proposal review.

Phase I: Concept Proposal	
Release Request for Concept Proposals (RFCP)	September 12, 2017
Workshops and webinars	September 19, 2017 – September 28, 2017
Concept proposals due	October 13, 2017, 5:00 pm PDT
Phase II: Grant Proposal <i>(by invitation only)</i>	
Invitation to submit grant proposals	January 2018
Grant proposals due	February 5, 2018, 5:00 pm PST
Grant proposals to USDA for approval	May 2018
Award	
Announce and award funding	Fall 2018

# How to Apply

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## Financial Assistance Application Submittal Tool (FAAST)

Applicants are required to complete and submit both their concept proposals and grant proposals online using the FAAST system. FAAST is hosted by the State Water Resources Control Board (SWRCB) and can be accessed through the SWRCB website at <https://faast.waterboards.ca.gov>.

Applicants must create a user account in FAAST in order to submit their proposals. FAAST is organized into various tabs and utilizes a question and answer format. Questions are answered in one or more of the following formats: a drop down menu, a text box with predetermined character limitations, or a document attachment. Responses to all questions must be submitted in the manner and format required by the concept proposal application questionnaire in FAAST without exception.

The SWRCB website contains a Frequently Asked Questions section and a User Manual for the FAAST system. For questions about the FAAST System, please contact FAAST customer service at (866) 434-1083, Monday through Friday, 8:00 am to 5:00 pm or via email, [faast\\_admin@waterboards.ca.gov](mailto:faast_admin@waterboards.ca.gov).

## Computer System Recommendations

To ensure concept proposals and attachments are submitted successfully, CDFA strongly encourages all applicants to comply with the computer system recommendations provided by FAAST. CDFA cannot guarantee that the FAAST system or the required templates will be compatible with other browsers or operating systems. Use of other browsers or operating systems will limit the ability of CDFA and FAAST staff to provide applicants with technical assistance, should any issues arise.

CDFA and FAAST recommend that applicants:

- Use a Windows PC with Internet Explorer 6.0 or higher.
- Disable pop-up blocking software while using FAAST.
- Save work often – the system will time out after 90 minutes and any unsaved work will be lost.

# Funding Areas, Funding Categories, and Program Priorities

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CDFA has developed three funding areas, with one to three categories within each area. In practice, concept proposals might seem to address elements from multiple funding areas and funding categories. However, applicants *must* select one funding category to identify the primary focus of their concept proposal. Identifying a funding category ensures that concept proposals are evaluated by reviewers with the appropriate area of expertise. The selected funding category cannot be changed once the concept proposal is submitted. Applicants should not submit multiple concept proposals for a single project or submit the same project over multiple funding categories.

Concept proposals should:

- Demonstrate a high likelihood of success.
- Be scalable to the larger community.
- Identify the specific and existing issue, problem, or need the project will address.
- Demonstrate industry need and support.
- Include an outreach component addressing how project results, research findings, and conclusions will be extended to specialty crop growers.

For examples of project types appropriate for each funding category, reference [Appendix B on page 21](#).

## Funding Area I: Market Enhancement

Projects in this funding area will focus on increasing sales of California specialty crops through promotion of the California Grown identity, developing new markets, increasing opportunities in existing markets, improving availability, and increasing demand.

### Market Enhancement Category A: California Grown Promotion

In this funding category, CDFA will consider projects that enhance the marketability and long-term competitiveness of specialty crops by leveraging the California Grown identity. Specifically, these projects should seek to increase the awareness and consumption of specialty crop products through the development of markets (local, domestic, and international) for all California producers by expanding the California Grown identity through cooperative promotion and partnerships.

*Projects submitted for the California Grown Promotion category will be evaluated by a committee designated by the board of the Buy California Marketing Agreement. This committee will make funding recommendations to CDFA.*

**All projects submitted to Market Enhancement Category A must address at least one of the following program priorities:**

- 1) Expanding opportunities for specialty crop producers, marketing orders, and other specialty crop stakeholders through innovative marketing and promotional activities that incorporate multiple specialty crop products leveraging the California Grown identity.
- 2) Creating economic opportunities for specialty crop producers through specialty crop market development activities that focus on local, regional, and international markets by leveraging the California Grown identity.
- 3) Emphasizing the quality, food safety, and healthy lifestyle benefits of specialty crops leveraging the California Grown identity.
- 4) Developing environmental stewardship educational initiatives that expand the consumer marketability of California specialty crops leveraging the California Grown identity.
- 5) Promoting California Grown specialty crops by highlighting the diverse stories of California's specialty crop farmers and/or California's rich agricultural history.

## **Funding Area II: Training and Education**

Projects in this funding area will focus on improving the competitiveness of California specialty crops through training for producers and growers to equip them for current and future challenges in specialty crop agriculture, and nutritional education for consumers to promote increased consumption.

### **Training and Education Category A: Specialty Crop Access and Nutrition Education**

In this funding category, CDFA will consider projects that improve access to and consumption of specialty crops in underserved communities and/or improve the public's knowledge and understanding of specialty crop agriculture and its beneficial importance to the health and well-being of all Californians. Projects submitted for the Specialty Crop Access and Nutrition Education category should seek to increase access to or consumption of healthy, safe California specialty crops for improved nutrition and overall health.

**All projects submitted to Training and Education Category A must address at least one of the following program priorities:**

- 1) Education to promote increased specialty crop consumption to develop healthy habits.
- 2) Increasing knowledge of how to produce, prepare, or preserve specialty crops.
- 3) Increasing the awareness of, and demand for, locally sourced specialty crops.
- 4) Increasing the availability of specialty crops in homes, schools, the workplace, hospitals, prisons, and in other underserved communities.
- 5) Increasing capacity for specialty crop production and distribution into underserved urban and rural communities.

## **Training and Education Category B: Equipping Current and Next Generation Specialty Crop Farmers**

In this funding category, CDFA will consider projects that benefit current and future specialty crop farmers through education and training. Projects submitted for the Equipping Current and Next Generation Specialty Crop Farmers category should seek to ensure the viability of California specialty crops by investing in training for operators to address current and future challenges.

**All projects submitted to Training and Education Category B must address at least one of the following program priorities:**

- 1) Training and equipping the next generation of young, beginning, and urban farmers in agronomic, economic, and environmental stewardship skills.
- 2) Introducing and recruiting young people to the variety of specialty crop career opportunities.
- 3) Providing support to specialty crop producers in adopting the requirements of the Food Safety Modernization Act.
- 4) Providing training to support specialty crop producers in adopting environmentally responsible farming methods.
- 5) Creating and implementing workforce training programs to maintain the technical skills required to keep the California specialty crops sector competitive.

## **Funding Area III: Research**

Projects in this funding area will focus on improving the competitiveness of California specialty crops through projects that invest in specialty crop research, including research to focus on conservation and environmental outcomes, pest control and disease, and organic and sustainable production practices. While research may be the primary objective of projects in this funding area, all SCBGP projects are required to include an outreach component.

### **Research Category A: Environmental Stewardship and Conservation**

In this funding category, CDFA will consider projects that enhance soil health, conservation of agricultural land and water, and address specialty crop agriculture's contribution to adaptation and/or mitigation of climate change. Projects submitted to the Environmental Stewardship and Conservation category should seek to expand stewardship practices and natural resource conservation to improve the environmental and financial performance of California specialty crop growers.

**All projects submitted to Research Category A must address at least one of the following program priorities:**

- 1) Developing strategies and tools to enable specialty crop growers to adapt to climate change by reducing greenhouse gas emissions and sequestering carbon.

- 2) Developing innovations in water use efficiency and drought resilience.
- 3) Improving soil health by identifying specific specialty crop management practices that build the soil organic matter content.
- 4) Research to develop new methods to expand organic and/or sustainable production practices.

### **Research Category B: Plant Health and Pest Management**

In this funding category, CDFA will consider projects that address pests and diseases that affect the production of California's specialty crops. Projects submitted to the Plant Health and Pest Management category should include applied research related to the probability and impact of invasive pests, disease, and weed threats to specialty crops, and research to develop tools to detect, eradicate, and control pests and diseases.

**All projects submitted to Research Category B must address at least one of the following program priorities:**

- 1) Developing new tools to detect, eradicate, and control pests and diseases.
- 2) Preventing and managing pests and diseases to minimize economic and environmental harm to specialty crop growers.
- 3) Enhancing speed and reliability of detection methods.
- 4) Utilizing innovative solutions to address threats, including engineering or cultural solutions.

### **Research Category C: Food Safety *(Separate proposal solicitation)***

CDFA will continue its partnership agreement with the Center for Produce Safety Foundation (CPS) to utilize the technical expertise of their grant reviewers in the area of food safety. CPS will release a separate food safety proposal solicitation. Please contact CPS at (530) 554-9706 or visit the CPS website at <http://www.centerforproducesafety.org/> for the solicitation timeline and proposal requirements.

# Fixed Amount Awards

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Fixed amount awards are a type of agreement under which CDFA would provide a specific level of funding for projects that address time-sensitive needs of California's specialty crop industry. Accountability for fixed amount awards is based primarily on performance and results, rather than actual costs incurred. Applicants to this category will complete the same questionnaire and attachments as all other categories; however, if a grant is awarded, this form of agreement provides a reduced administrative burden and greater flexibility to achieve project goals.

## Food Safety Modernization Act

For 2018, CDFA will consider projects that address the priority to assist California's specialty crop growers, farmers, producers and manufacturers in adopting the requirements of and meeting the standards for the U.S. Food and Drug Administration's Food Safety Modernization Act (FSMA).

## Additional Information on Fixed Amount Awards

Fixed amount awards include the following additional requirements:

- Projects submitted for fixed amount awards cannot request funding that exceeds \$150,000 and must be for at least \$25,000.
- Projects submitted for fixed amount awards cannot have a timeframe that exceeds two years.
- Fixed award amounts are developed based on the Federal cost principles and there must be sufficient historical, adequate cost, or unit pricing data available to establish a fixed amount award based on a reasonable estimate of actual cost.
- Fixed amount awards will be paid in one of two ways:
  - In several partial payments, the amount of each agreed upon in advance, and the “milestone” or event triggering the payment also agreed upon in advance, and set forth in the award; or,
  - In one payment upon completion.
- Fixed amount awards are not eligible for advance payments.

# Concept Proposal Questions and Scoring

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Applicants must respond to the following questions under the General Information, Project Budget, and Application Questionnaire tabs in the [FAAST system](#). Failure to answer one or more application questions may result in disqualification.

## **Applicant Organization:**

Legal name of the organization that will serve as lead for the project and will receive grant funds.

## **Submitting Organization:**

Legal name of the organization submitting the proposal on behalf of the applicant.

## **Project Title:**

Concisely describe the project in 15 words or less.

## **Project Description:**

Summarize the need for the project, describe the goals and outcomes, and present a plan for evaluating and measuring the success of the project.

## **Project Budget:**

- **Funds Requested:** The total amount of SCBGP funds requested for the project. This number must match the amount listed under category I in the project's budget template. Funds requested must range from \$25,000 to \$300,000 (\$25,000 to \$150,000 for fixed amount awards); requests outside of this range may result in disqualification.
- **Local Cost Match:** The total amount of cost sharing (matching funds and in-kind contributions) committed to the project from other sources, if applicable. Cost sharing is not a requirement of the SCBGP; however, cost sharing is encouraged and may serve as evidence to demonstrate industry commitment to, or support for, the project.
- **Total Budget:** The sum of Funds Requested plus Local Cost Match.

### **1. Organization Type:**

Using the drop down menu, select the organization type that best describes the applicant.

### **2. Funding Area and Funding Category:**

Using the drop down menu, select the most appropriate funding area and funding category for the project. Failure to select a Funding Area and Funding Category will result in disqualification.

### **3. Program Priorities:**

Enter verbatim at least one of the 2018 SCBGP program priorities for the chosen funding category as described on [pages 6-10 of the 2018 RFCP](#).

**4. Project Purpose:**

All of the following must be addressed within the text boxes provided:

- Identify the specific and existing issue, problem, or need the project will address.
- Explain why the proposal is important and timely for the specialty crop industry.

**5. Project Goals:**

Describe the goals of the project.

**6. Outcome Measures:**

Select at least one of the eight outcomes and associated indicator(s)/sub-indicator(s) listed in the [Outcome Measures](#) supplemental document.

**7. Project Success:**

Present a plan for evaluating and measuring the success of the project.

**8. Project Duration:**

Within the text boxes provided, enter a start and end date for the project. Projects cannot start before November 1, 2018 or continue beyond April 30, 2021. Failure to provide a project start and end date within the allowable duration may result in disqualification.

**9. Budget:**

**Download**, complete, and attach the budget template. All budget items should solely support enhancing the competitiveness of specialty crops and correlate to the goal(s) of the project. Before completing the budget template, review the [Allowable and Unallowable Costs and Activities Table](#).

**Scoring Criteria:** Scoring will be based on two primary factors. Is the proposed project a priority for the specialty crop industry, and what is the concept proposal's likelihood for success. Each issue will be scored by the Technical Review Committee on a scale of one to ten points, for a total of 20 points possible.

# Concept Proposal Budget

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The budget template is the only required attachment in the concept proposal phase. Download the required Microsoft Word Document (.doc) budget template from FFAST or from the [CDFA SCBGP website](#). Click on the link and select "Save as," save the file to your computer, open the saved file and enter your budget information, save your completed document and upload on the attachments tab in FFAST.

For each budget category listed below, enter the amount of SCBGP funds requested (rounded to the nearest whole dollar) and a brief description of the costs or activities covered. A description is required for each budget category in which funds are requested, except for category H. Indirect Costs and category I. Total SCBGP Funds Requested. Failure to submit the required budget template or submission of an alternate template/file type may result in disqualification. A completed sample budget is available in Appendix C on page 23.

Salary and wages, fringe benefits, travel, scientific research equipment, supplies, other, and indirect costs for individuals not employed by the applicant organization must be listed under category F. Contractual.

## **A. Salary and Wages**

Estimate the total cost of salary and wages for time spent on the project by individuals employed by the applicant organization. In the description column, list the title of each employee and the approximate time spent on the project (number of hours or percent full time equivalent).

## **B. Fringe Benefits**

Estimate the total cost of fringe benefits for time spent on the project by individuals employed by the applicant organization in accordance with the applicant organization's established fringe benefits policy. In the description column, list the approximate fringe benefit rate and types of benefits included in the applicant organization's established fringe benefits policy.

## **C. Travel**

Estimate the total cost of project related travel for individuals employed by the applicant organization. In the description column, describe the travel that will be necessary to accomplish the goals and objectives of the project. Use the rates established by the U.S. General Services Administration (GSA) to develop the travel cost estimate: <http://www.gsa.gov/portal/content/104877>. Reference page 11 of the [Allowable and Unallowable Costs and Activities Table](#) for restrictions on travel costs.

## **D. Scientific Research Equipment**

Estimate the total cost to purchase any scientific research equipment necessary to achieve project objectives. Scientific research equipment is nonexpendable, tangible personal property with a useful life of more than one year and an acquisition cost which equals or exceeds \$5,000 to be used only for research, scientific, or other technical activities. In the description column, list the scientific research equipment to be purchased. Reference page 3 of the [Allowable and Unallowable Costs and Activities Table](#) for restrictions on scientific research equipment.

### **E. Supplies**

Estimate the total cost to purchase supplies necessary to achieve project objectives. Supplies are items with an acquisition cost less than \$5,000 per unit that are used exclusively for the objectives of the project. In the description column, list the types of supplies to be purchased. General use office supplies (paper, printer ink, pens, etc.), facilities costs (telephone, internet, etc.), and administrative costs are considered indirect and should not be included under category E. Supplies. Reference page 10 of the [Allowable and Unallowable Costs and Activities Table](#) for more information about direct and indirect costs.

### **F. Contractual**

Estimate the total cost of work on the project that will be performed by individuals/organizations other than the applicant (e.g. consultants, contractors, partner organizations, etc.). This amount should include all associated salary and wages, fringe benefits, travel, scientific research equipment, supplies, other, and indirect costs. In the description column, list the services to be provided and the contractors that will work on the project paid with grant funds. Reference page 2 of the [Allowable and Unallowable Costs and Activities Table](#) for restrictions on contractual costs.

### **G. Other**

Estimate the total cost of all other project related expenses. Expenses typically listed under category G. Other include registration fees to attend professional conferences, speaker/trainer fees, stipends, fees to publish in academic journals, fees for data collection and lab analysis, meeting space or equipment rentals, subscriptions, etc. In the description column, list the specific types of expenses necessary to accomplish the goals and objectives of the project.

### **H. Indirect Costs**

Indirect costs are facilities and administrative costs that cannot easily be tied directly to the activities of the grant. Examples of common indirect costs include administrative/clerical services, rent, utilities, internet and telephone service, maintenance, and general office supplies. The maximum amount of indirect costs allowable is eight percent of total personnel costs (category A. Salary and Wages plus category B. Fringe Benefits). Reference the [Requirements and Limitations section on page 15-16](#) for more information about indirect costs. *Formula: (A. Salary and Wages + B. Fringe Benefits) x 0.08 = Maximum Indirect Costs*

### **I. Total SCBGP Funds Requested**

To calculate the total SCBGP funds requested, add up the amounts requested for categories A through H. This total must match the amount listed under "Funds Requested" in FFAST and cannot be less than \$25,000 or greater than \$300,000.

### **J. Program Income**

Estimate the amount of income (if any) that may be generated by a supported activity or earned as a result of the award. In the description column, explain how the program income will be generated and how it will be used to further support the project objectives. Program income must be spent on activities that support the goals and objectives of the project and must comply with restrictions on allowable and unallowable costs and activities.

# Requirements and Limitations

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## Farm Bill and USDA Guidance

Authorization for this program was established under the Specialty Crops Competitiveness Act of 2004 and continues under authorization from the Agricultural Act of 2014 (commonly referred to as the “Farm Bill”). The 2014 Farm Bill contains provisions for the continuation of this program in 2018 and beyond; however, as of the date of this publication, Congress has not passed a new Farm Bill or a continuing budget resolution to reauthorize funding for the program. While CDFA anticipates continued funding for the program as described in the 2014 Farm Bill, grant awards will only be made if continuing authorization for the program is established and funds are made available by USDA, AMS.

As of the date of this publication USDA has not provided CDFA or any other state department of agriculture with a Request for Applications or Terms and Conditions for the 2018 SCBGP. Said guidance is not anticipated prior to the passage of a new Farm Bill. CDFA anticipates some degree of change to the program will occur with the passage of a new Farm Bill. Examples of past changes to the program include, clarifications and revisions to allowable costs and activities and the introduction of national Outcome Measures. If necessary, CDFA will prepare, and make available, a supplement to this document to advise applicants of any changes to the program upon receipt of USDA’s Request for Applications. CDFA and all applicants will be subject to the terms of USDA’s Request for Applications and Terms and Conditions.

## Federal Cost Principles

Federal cost principles are regulations based on organization type used to determine allowable costs and ensure consistent treatment of costs. Applicants are responsible for identifying the Federal cost principles appropriate to their organization and consistent application of cost principles to the SCBGP grant funds, and ensuring contractors or consultants comply with Federal cost principle requirements.

- State, local or Indian tribal governments, non-profit organizations, colleges and universities will be subject to [2 CFR 200](#).
- For-profit organizations will be subject to [48 CFR Subpart 31.2](#).

## Unallowable Costs

CDFA has developed an [Allowable and Unallowable Costs and Activities Table](#) to assist applicants in preparing their proposal budget. The table provides overall guidance for the handling of common costs and includes USDA and CDFA requirements specific to this program. Proposals with unallowable costs may be subject to disqualification as described below.

## Indirect Costs

The maximum indirect cost rate is eight (8) percent of total personnel costs (budget category A. Salary and Wages plus category B. Fringe Benefits).

Applicants are responsible for presenting costs incurred for the same purpose in like circumstances consistently and must not include costs associated with an established indirect cost rate agreement as direct costs. In addition, applicants cannot allocate a cost as a direct cost if it is also incurred as an indirect cost for the same purpose and vice versa.

Direct costs are costs that can be identified specifically with a particular award, project, program, service, or other organizational activity or that can be directly assigned to such an activity relatively easily with a high degree of accuracy. Typically, direct costs include, but are not limited to, compensation of employees who work directly on the award to include salaries and fringe benefits, travel that is necessary for the project, and equipment and supplies used solely for the project to enhance the competitiveness of specialty crops.

Indirect costs (also known as “facilities and administrative costs”) are costs incurred for common or joint objectives that cannot be identified specifically with a particular project, program, or organizational activity. Below are typical indirect costs for specific types of organizations. The salaries of administrative and clerical staff should normally be treated as indirect costs. Direct charging of these costs may be appropriate where all of the following conditions are met:

- administrative or clerical services are integral to a project or activity;
- individuals involved can be specifically identified with the project or activity;
- such costs are explicitly included in the budget or have the prior written approval of the Federal awarding agency; and
- the costs are not also recovered as indirect costs.

The following are considered indirect and should not be included in the Budget Template as direct costs:

- Information technology services.
- Rent.
- Utilities and internet service.
- Telephone service (mobile and land-line).
- General office supplies.
- Insurance.
- Maintenance.

*Note: The indirect cost rate for SCBGP is limited by Federal statute. The rate published in this solicitation document ensures conformity to the Federal statute. Applicants that might ordinarily be eligible to receive a higher indirect rate from other state or Federal programs are responsible for ensuring that their organization/institution will allow an exception for this program **before** submitting an application.*

# Review and Notification

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## Review Criteria

CDFA's intent is to fund projects that can produce the highest degree of measurable benefits to California specialty crop producers in relation to each dollar spent. Applicants' concept proposals will be evaluated on the criteria set forth in the Concept Proposal Questions and Scoring section.

## Review Process

CDFA will conduct two levels of review during the concept proposal process. The first level is an administrative review to determine whether concept proposal requirements are met and, if applicable, assess an applicant's past CDFA grant performance. The second level is a technical review to evaluate the merits of the concept proposals.

The CDFA SCBGP Technical Review Committee will perform the technical review. The Technical Review Committee is comprised of growers and representatives from industry, universities, public agencies, and non-profits with an interest and expertise in specialty crops and agricultural systems.

## Notification and Feedback

Projects that are disqualified utilizing the criteria below will be notified within 21 days of the concept proposal due date. All other applicants will be notified regarding the status of their concept proposals in January 2018. Successful applicants will be invited to Phase II and will receive instructions for submitting a grant proposal. Applicants not invited to participate in Phase II will receive feedback on their concept proposal within 60 days after receiving notification.

To ensure all communications are received, points of contact listed in the application should add [grants@cdfa.ca.gov](mailto:grants@cdfa.ca.gov) to their email safe senders list, address book, or contact list.

## Disqualifications

The following will result in the disqualification of a project proposal:

- Proposals from individual applicants.
- Incomplete proposals, including proposals with one or more unanswered questions and/or missing, blank, unreadable, corrupt, or otherwise unusable attachments.
- Proposals that include activities outside the grant duration.
- Proposals for less than the minimum award amount or more than the maximum award amount.
- Proposals with unallowable costs or activities necessary to complete the project objectives, including indirect costs that exceed the limit set forth in this document.
- Proposals in which the outcome measure and indicators and/or subindicators are altered.

**APPEAL RIGHTS:** Any discretionary action taken by the Office of Grants Administration (OGA) may be appealed to CDFA's Office of Hearings and Appeals Office within ten (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 grant application or his/her authorized agent. It must state the grounds for the appeal and include any supporting documents and a copy of the OGA decision being challenged. The submissions must be sent to the California Department of Food and Agriculture Office of Hearings and Appeals, 1220 N Street, 4th Floor, Sacramento 95814 or emailed to [CDFA.LegalOffice@cdfa.ca.gov](mailto:CDFA.LegalOffice@cdfa.ca.gov). If submissions are not received within the time frame provided above the appeal will be denied.

# Assistance and Questions

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## Concept Proposal Workshops and Webinars

CDFA will conduct workshops and webinars on the 2018 SCBGP solicitation process, the concept proposal application and use of the FFAST system during the weeks of September 19 –September 28, 2017. Please visit CDFA’s SCBGP website, [www.cdfa.ca.gov/grants](http://www.cdfa.ca.gov/grants), for dates, times, and locations. All applicants are encouraged to participate in a workshop or webinar.

## Questions and Answers (Q&A)

CDFA will conduct three rounds of Q&A to address general questions about the concept proposal phase. Email all questions about the solicitation process to: [grants@cdfa.ca.gov](mailto:grants@cdfa.ca.gov). Responses to all questions received during the workshops, webinars, or by email will be posted to CDFA’s SCBGP website according to the following schedule:

Questions Received by:	Responses Posted by:
September 25, 2017 at 8:00 am PDT	September 28, 2017 at 5:00 pm PDT
October 2, 2017 at 8:00 am PDT	October 4, 2017 at 5:00 pm PDT
October 9, 2017 at 8:00 am PDT	October 11, 2017 at 5:00 pm PDT

October 9, 2017, at 8:00 am PDT is the final deadline to submit questions for the concept proposal phase.

In order to maintain the integrity of the competitive grant process, CDFA is unable to advise and/or provide individuals with any information regarding specific proposals during the solicitation process.

# Appendix A: Concept Proposal Tips

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- Compose answers to questions in a word processing document so you can check for grammar, spelling, syntax, and overall clarity before entering them into the FAAST system.
- Be sure to double check your budget against the Unallowable Costs and Activities Table to ensure that the budget items are allowable. Too many unallowable costs listed in the budget may result in disqualification.
- Be sure to double check that you have selected the correct funding category for your project.
- Only attach requested documents. Attaching additional documents may result in disqualification.
- Ensure that all attachments are submitted in the required format.
- Before submitting your concept proposal, view all attached documents to ensure that the correct documents have been attached.
- Review your budget to ensure the added costs from each budget category equal the total requested funds.

# Appendix B: Project Examples

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## **Market Enhancement Category A: California Grown Promotion**

- Development of cooperative marketing activities that leverage the California Grown identity to emphasize quality, food safety, and lifestyle benefits of California specialty crops.
- Increase the sales of specialty crops through multi-commodity promotions that leverage the California Grown identity.
- Create economic opportunities for specialty crop producers through commodity content development and social media activities leveraging the California Grown identity.
- Support specialty crop marketing concepts that target the unique characteristics of California Grown specialty crops in domestic and international markets.
- Develop marketing concepts that promote the healthy lifestyle benefits of California Grown specialty crops.

## **Training and Education Category A: Specialty Crop Access and Nutrition Education**

- Increasing child nutritional knowledge through education in the classroom.
- Increasing interest in specialty crops through experiential learning (such as school gardens).
- Training or demonstrations that educate families on increasing consumption of specialty crops in their diets.
- Improving knowledge of the health benefits of specialty crops among children, seniors, and caregivers.
- Strengthening the local food system in underserved communities by supporting production, distribution, access points, and consumption of specialty crops.
- Addressing “food deserts” with improved access to specialty crops at farmers' markets, corner stores, grocery stores, food hubs, or other systems.

## **Training and Education Category B: Equipping Current and Next Generation Specialty Crop Farmers**

- Strengthen agricultural job training skills for beginning specialty crop farmers.
- Assisting specialty crop farmers in adopting Good Agricultural Practices, Good Handling Practices, and Good Manufacturing Practices.
- Recruit and train new specialty crop farmers in the skills for sustainable food production.
- Develop and implement sustainable farming practices and beneficial management practice tools that improve farm viability and the agricultural economy as well as the environment.
- Accelerate Best Management Practices implementation in specialty crop production for water conservation and efficiency.
- Provide assistance to specialty crop farmers to implement management practices that build the soil organic matter content on California agricultural operations.

## **Research Category A: Environmental Stewardship and Conservation**

- Improve air and water resources in specialty crop farming to further the environmental sustainability and marketability of products.
- Assist communities in climate smart agriculture and planning for specialty crops in California.

- Research and develop new technologies to improve water use efficiency in specialty crop production.
- Development of sustainable farming practice tools and programs for specialty crop growers in California.

#### **Research Category B: Plant Health and Pest Management**

- Enhance speed and reliability of detection of pests affecting specialty crops.
- Develop new tools for eradication of pests affecting specialty crops.
- Develop specialty crops resistant to pests and diseases.
- Develop secondary inspection and detection capacity of pests affecting specialty crops.
- Conduct pest surveys to ascertain threat and spread of threat to specialty crops.
- Develop pest protocol programs for a subsector of specialty crops.

#### **Fixed Amount Awards:**

- A project to develop curriculum for small and mid-size specialty crop farmers to train them in the Produce Safety requirements of FSMA and assist them in implementation of appropriate on-farm practices.
- A project that helps specialty crop manufacturers comply with FSMA rules and regulations when processing specialty crops.

#### **Examples of Unacceptable Projects**

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

# Appendix C: Budget Template Example

## 2018 Specialty Crop Block Grant Program CONCEPT PROPOSAL BUDGET

<b>Proposal Identification Number (PIN)</b>	12345	
<b>Budget Categories</b>	<b>Amount Requested (Nearest whole dollar)</b>	<b>Brief Description (Required)</b>
<b>A. Salary and Wages</b> Cost of salary and wages for time spent working on the project by employees of the applicant organization.	\$63,500	Jane Doe, Environmental Scientist: 50% FTE. John Smith, Student Assistant: 600 hours.
<b>B. Fringe Benefits</b> Cost of fringe benefits for time spent working on the project in accordance with the applicant organization's established fringe benefits policy.	\$17,370	Jane Doe, Environmental Scientist: 30% fringe. John Smith, Student Assistant: 3% fringe. Fringe benefits policy includes health insurance, sick leave, and retirement.
<b>C. Travel<sup>1</sup></b> Cost of project related travel for individuals employed by the applicant organization.	\$5,184	Monthly travel from Sacramento to Salinas for sample collection; 30 trips total.
<b>D. Scientific Research Equipment</b> Cost to purchase scientific research equipment (>\$5,000/unit) necessary to achieve project objectives.	\$6,000	Mass spectrometer.
<b>E. Supplies</b> Cost to purchase supplies (<\$5,000/unit) necessary to achieve project objectives.	\$10,000	Field trials: flow meters, soil moisture sensors, soil amendments, bags. Lab supplies: gloves, pipettes, reagents, glassware.
<b>F. Contractual<sup>2</sup></b> Cost of work by individuals/ organizations other than the applicant (e.g. cooperators, consultants, contractors, partners, etc.).	\$20,000	ABC University XYZ Commodity Board Graphic designer (to be determined)
<b>G. Other</b> Cost of all other expenses (e.g. conference registration, speaker/trainer fees, stipends, publication fees, data collection, lab analysis, rentals, subscriptions, etc.).	\$2,000	Conference registration fees, publication fees, room rental for workshops.
<b>H. Indirect Costs</b> Facilities and administrative costs.	\$6,469	<i>Must not exceed 8.00% of total personnel costs (A. Salary and Wages + B. Fringe Benefits)</i>
<b>I. Total SCBG Funds Requested</b> Sum of categories A through H.	<b>\$130,523</b>	<i>Must match "Funds Requested" in FAAST. \$25,000 minimum - \$300,000 maximum (\$150,000 maximum for Fixed Amount Awards)</i>
<b>J. Program Income</b> Income (if any) that may be generated by a supported activity or earned as a result of the award.	\$500	A registration fee (\$5/person) will be charged to attend the workshops. Workshop registration fees will be used to pay for attendee materials including binders and USB drives.

<sup>1</sup> Travel within and outside of California must not exceed the travel rates established by the U.S. General Services Administration (GSA) <http://www.gsa.gov/portal/content/104877>

<sup>2</sup> Contractual hourly rates must not exceed the GS-15 step 10 rate for your area. To access the GS-15 step 10 rate, visit the following website and click on 2017 General Schedule and Locality Pay Tables: <https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/2017/general-schedule/>

# Appendix D: Frequently Asked Questions

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1. Q. What is a specialty crop?
  - A. The Farm Bill defines specialty crops as "fruits and vegetables, tree nuts, dried fruits, horticulture, and nursery crops (including floriculture)." Eligible plants must be cultivated or managed and used by people for food, medicinal purposes, and/or aesthetic gratification to be considered specialty crops. Visit <http://www.ams.usda.gov/services/grants/scbgp/specialty-crop> for a comprehensive list of eligible and ineligible crops.
2. Q. When are concept proposals due?
  - A. Concept proposals must be submitted through the State Water Resources Control Board's [Financial Application Assistance Submittal Tool \(FAAST\)](#) by 5:00 pm PDT on October 13, 2017.
3. Q. Will CDFA provide answers to specific questions regarding the eligibility of concept proposals or assist applicants in selecting a funding category, program priority, and/or outcome measure(s) and indicator(s)?
  - A. CDFA is unable to advise and/or provide individuals with feedback on specific proposals during the solicitation process. CDFA cannot provide guidance on the most appropriate funding category, program priority, and/or outcome measure(s) and indicator(s) for a concept proposal.
4. Q. Is there a limit on the number of concept proposals an applicant can submit?
  - A. No; however, each concept proposal should be for a unique project. Submitting the same concept proposal over multiple funding categories is prohibited.
5. Q. Do certain organization types or commodities receive higher priority for funding than others?
  - A. There is no consideration given to an organization or commodity type in the scoring of proposals. CDFA ensures the review process has no conflicts of interest and reviewers are required to review each project on its individual merits.
6. Q. What are Federal cost principles?
  - A. Federal cost principles are regulations based on organization type used to determine allowable costs and ensure consistent treatment of costs. Applicants are responsible for identifying the Federal cost principles appropriate to their organization and consistent application of cost principles to the SCBGP grant funds, and ensuring contractors or consultants comply with Federal cost principle requirements. To view the Federal cost principles, visit [page 15 of the RFCP](#).
7. Q. Who is eligible to apply for SCBGP funding?
  - A. Non-profit and for-profit organizations; local, state, and Federal government entities, including tribal governments; and public or private colleges and universities are eligible to apply. Individuals are not eligible to apply.

8. Q. How does an applicant determine if a proposal is appropriate for SCBGP?
- A. All proposals must solely enhance the competitiveness of specialty crops, meet at least one of the program priorities as described in the RFCP, and be able to achieve at least one outcome measure and indicator to be eligible for this program. Please refer to the RFCP to determine if your proposal is appropriate.
9. Q. Is the SCBGP concept proposal application available as a Word document? Is there a page limit?
- A. No, the concept proposal application is not available as a Word document. All applicants must complete and submit the concept proposal application using the [FAAST system](#). As a result, there is no page limit. However, each question in FAAST is assigned a character limit.
10. Q. Can an organization submit two projects to the same funding category?
- A. Yes, an organization may submit more than one proposal to a single funding category as long as the proposals are for unique projects.
11. Q. Are examples available of projects that would be eligible under each funding category?
- A. Yes, there are examples of possible projects for each funding category provided in the [2018 RFCP on pages 21-22](#). Please note that these examples are not intended to be all inclusive.
12. Q. Does CDFA allocate a set amount of funding or number of projects per funding category?
- A. No, CDFA does not allocate a set amount of funding or number of projects per funding category.
13. Q. If an applicant selects the wrong funding category, will they be disqualified?
- A. Applicants will not be disqualified for selecting the wrong funding category. However, the Technical Review Committee is comprised of subject matter experts who may not be qualified to review proposals submitted to an inappropriate funding category. This may affect the probability of success for a given project. For this reason, applicants are strongly encouraged to carefully review the program priorities and select the funding category that most closely aligns with their project.
14. Q. Can applicants create their own outcome measures and indicators?
- A. No, applicants must select at least one outcome measure and associated indicator from the Outcome Measures supplement.
15. Q. How many outcome measures and indicators are required? Are applicants allowed to choose more than one?
- A. All projects must result in at least one outcome measure. Applicants are allowed to identify more than one outcome measure. For each outcome measure identified, applicants must specify at least one associated indicator and/or sub-indicator.
16. Q. Are projects required to last for two years and six months?
- A. Two years and six months is the maximum project duration. As long as projects do not start before November 1, 2018 or end after April 30, 2021, any duration is allowed. For Fixed Amount Awards two years is the maximum project duration.

17. Q. What is the General Schedule 15 (GS-15), Step 10?
- A. The GS-15, Step 10 is the maximum pay allowed annually and hourly for contractors and consultants by the Federal government. Applicants should use the GS-15, Step 10 rate for their area when developing contractual cost estimates to ensure rates are reasonable and consistent with fees in the marketplace for similar services. Contractor costs exceeding the GS-15, Step 10 rate must be paid from a source other than SCBGP funds unless a justification is provided and approved by CDFA and USDA. The 2017 General Schedule (GS) Locality Pay Tables are available here: <https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/2017/general-schedule/>.
18. Q. How can an applicant determine if a piece of equipment is considered scientific research equipment?
- A. Scientific research equipment is defined as equipment which is used only for research, scientific, or other technical activities. Applicants should utilize the RFCP and the [Allowable and Unallowable Costs and Activities Table](#) to determine whether equipment meets the definition of scientific research equipment.
19. Q. Is promoting an organization's image, logo, or brand name allowable?
- A. No, SCBGP funds must be used to enhance the competitiveness of specialty crops rather than to promote an organization's image, logo, or brand name. Projects submitted to the California Grown Promotion funding category should focus on promoting the specialty crops identified rather than promoting the CA GROWN logo.
20. Q. Does SCBGP impose a maximum fringe benefit rate?
- A. There is no maximum fringe benefit rate and applicants should follow their organization's established policies. However, fringe benefit rates greater than 50 percent may be questioned by USDA and additional information may be required.
21. Q. What is the maximum amount of indirect costs an organization is allowed?
- A. The maximum amount of indirect costs an organization is allowed is eight percent of the total personnel costs (budget category A. Salary and Wages plus category B. Fringe Benefits).
22. Q. How does the review process work between CDFA and USDA for projects that receive funding?
- A. CDFA's administrative and technical review process helps to ensure that the projects recommended to USDA for funding are timely and important for California specialty crops and comply with all program rules and regulations. USDA has the final say regarding which projects receive funding. USDA may approach CDFA with questions on specific projects, in which case CDFA will work with the applicant to resolve any issues. In some cases, USDA may ultimately elect to decline a project.
23. Q. What is the difference between matching funds and in-kind contributions?
- A. Matching funds refers to a dollar amount committed to a project from a source other than the SCBGP. An in-kind contribution is the estimated dollar value of any time, property, or supplies donated to a project.

24. Q. What is the Technical Review Committee and how does the review process work?
- A. The Technical Review Committee is a group of volunteers with knowledge and expertise regarding the California specialty crop industry. This committee is broken up by funding category and reviews, evaluates, and makes recommendations to CDFA on proposals submitted for funding to California's SCBGP. The reviewers evaluate and score proposals individually and then meet to have an open discussion. The committee's recommendations are then presented to CDFA.
25. Q. Are fiscal sponsorships allowable under the SCBGP?
- A. Projects that involve a fiscal sponsorship are subject to the following requirements: 1) The fiscal sponsorship arrangement and the identities of the involved parties must be clearly disclosed within the proposal; 2) If awarded funds, the fiscal sponsor, rather than the sponsored organization, is the grant recipient. The fiscal sponsor is responsible for executing the grant agreement and must ensure all project activities and costs, including activities of the sponsored organization, contractors or consultants comply with applicable Federal regulations and requirements, and grant terms and conditions; 3) Changes to the recipient (such as a change from the non-profit fiscal sponsor to the sponsored organization) or key personnel require USDA and CDFA approval; and 4) Fiscal sponsorship fees cannot be charged as a direct cost. Fiscal sponsorship fees may be allowable as an indirect cost, if charged consistent with the sponsored organization's established policies.
26. Q. What happened to the Market Expansion and Access category?
- A. The program priorities for the Market Expansion and Access funding category were reorganized with access aligned to nutrition and market expansion to promotion. This was done to ensure completion within each category between proposals addressing similar issues.