Specialty Crop Block Grant Program

Additional Assistance for Limited Resource Applicants Program

Frequently Asked Questions

This is the Frequently Asked Questions (FAQ) for the Additional Assistance for Limited Resources Applicants Program. Please complete the inquiry form (https://forms.cloud.microsoft/g/UKN2q5kUDt) prior to the application deadline to request technical assistance; email grants@cdfa.ca.gov if unable to complete the form.

GENERAL QUESTIONS

1. **Q. What are specialty crops?**
   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 the U.S. Department of Agriculture's (USDA) What is a Specialty Crop website (https://www.ams.usda.gov/services/grants/scbgp/specialty-crop) for a comprehensive list of eligible and ineligible crops. Please note that cannabis and agave for distillation are not currently considered specialty crops.

2. **Q. How does an applicant determine if a proposal is appropriate for the SCBGP?**
   A. All proposals must enhance the competitiveness of specialty crops and meet one or more of the program priorities as described in the Additional Assistance for Limited Resource Applicants (Additional Assistance) Program Request for Proposals (RFP) to be eligible for this program.

3. **Q. Are first-time applicants required to apply to the Additional Assistance Program?**
   A. First-time applicants are not required to apply to the Additional Assistance Program. Organizations that have successfully submitted a Concept Proposal to the conventional 2027 SCBGP through GOATS are not eligible to apply to the Additional Assistance Program. Applicants whose Concept Proposals were disqualified from the conventional 2027 SCBGP may apply to the Additional Assistance Program, provided they meet all eligibility requirements outlined in the Additional Assistance Program RFP.

4. **Q. Will the presentations from the SCBGP webinars be available online?**
   A. A link to the presentations will be available on the California Department of Food and Agriculture (CDFA) SCBGP website (https://www.cdfa.ca.gov/Specialty_Crop_Competitiveness_Grants/) following the live presentation. PDFs of the PowerPoint slides will be available upon request by sending an email to grants@cdfa.ca.gov.

5. **Q. Will CDFA provide answers to specific questions regarding the eligibility of Proposals or assist applicants in selecting a funding category, program priority, and/or outcome measure(s) and indicator(s)?**
   A. CDFA can provide technical assistance to applicants submitting under the Additional Assistance Program. Please complete the inquiry form (https://forms.cloud.microsoft/g/UKN2q5kUDt) prior to the application deadline to request technical assistance; email grants@cdfa.ca.gov if unable to complete the form. CDFA will prioritize providing technical assistance to the first 20 eligible applicants who request application assistance. CDFA recommends requesting technical assistance with ample time ahead of the application due date.

6. **Q. Where can applicants find information about projects awarded SCBGP funding in past years?**
   A. Applicants can find project abstracts for past grant awards on the CDFA SCBGP Project Abstracts website (https://www.cdfa.ca.gov/Specialty_Crop_Competitiveness_Grants/PastGrantAwards.html). Note that program requirements change year to year, so past projects may not necessarily conform to current program requirements.

7. **Q. How does USDA define beginning or first-time farmers?**
   A. USDA defines a beginning or first-time farmer as an individual or entity that has not operated a farm for more than 10 years and who substantially participates in the operation.

8. **Q. Can proposals promote an organization's image, logo, or brand name?**
   A. SCBGP funds cannot be used to promote an organization's image, logo, or brand name. SCBGP funds must be used to enhance the competitiveness of specialty crops. Projects should focus on promoting the specialty crops identified rather than promoting any organization's logo or brand.

9. **Q. What is a Unique Entity Identifier (UEI) and is it required to submit a Proposal?**
   A. Entities doing business with the federal government must obtain a UEI through SAM.gov. Active registrants will have their UEI assigned and viewable within SAM.gov. A UEI is not required prior to submitting a Proposal; however, if awarded SCBGP funds, recipients will need to obtain a UEI before a grant agreement can be executed. Please note that the Data Universal Numbering System (DUNS) will no longer be accepted.

10. **Q. Are fiscal sponsorships allowable under the SCBGP?**
   A. Proposals 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; 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. Fiscal sponsors must comply with applicable program requirements, and fiscal sponsorship arrangements may not be used to circumvent eligibility restrictions, including those related to prior receipt of SCBGP funding.

11. **Q. What is program income?**
   A. Program income refers to any gross income earned during the grant period that is directly generated by a supported project activity or earned as a result of the award. If a project will generate program income, applications must provide a description of how it will be generated and how it will be used to enhance specialty crops. Program income cannot be used as a net profit and must be spent before the end of the grant period in accordance with restrictions on allowable and unallowable costs and activities. Proposals using program income for unallowable costs will be disqualified.

12. **Q. If selected for funding, are Additional Assistance Program recipients eligible to receive advances?**

A. While the SCBGP is federally funded and not subject to 2023 Assembly Bill 590, Recipients may be eligible to receive advance payments of up to 10 percent of the award amount to cover anticipated project expenditures. Multiple advances can be requested during the project duration; advances should be spent down within 90 days.

Advance payments are, however, not allowed under the following circumstances: an existing advance is not completely liquidated; the advance will reduce the project balance below 10 percent of the award amount; there is an invoice dispute; there is a pending resolution of an audit or desk review finding of overpayment, unallowable costs, inadequately supported costs, or unsupported costs; the project is not current in invoicing or reporting; the project is in the final three months of the project duration; and/or additional conditions imposed prohibit an advance payment.

ELIGIBILITY

1. **Q. Who is eligible to apply for SCBGP Additional Assistance Program funding?**

A. Non-profit organizations, Tribal governments (federally and non-federally recognized), and K-12 school districts are eligible to apply to the Additional Assistance Program if they have not previously received SCBGP funding, do not have technical expertise in grant writing, and work directly to support limited resource and/or beginning farmers or provide nutrition education and/or access to specialty crops in low-resource communities.

Individuals; for-profit organizations; local, state, and federal government entities (excluding K-12 school districts and Tribal governments); and public or private colleges and universities are not eligible to apply. University-affiliated non-profit organizations are also not eligible to apply.

2. **Q. How does CDFA define technical expertise with grant writing?**

A. Technical expertise with grant writing includes the capacity to hire and/or contract with a grant writing organization or consultant. Organizations that have applied to and received multiple state or federal grants in recent years are also considered to have technical expertise with grant writing. Likewise, organizations that are headed or staffed by individuals that have demonstrated the ability to

apply to the conventional SCBGP or other state and federal grants are considered to have technical expertise with grant writing.

3. **Q. How are project beneficiaries defined?**
   A. Project beneficiaries are the specialty crop stakeholders that will directly benefit from a project, including individual growers, producers, groups, commodities, etc. Employees of the applicant, contractors, and/or individuals who may receive a direct monetary benefit from the project are typically not considered project beneficiaries. The number cited in the Project Beneficiaries response should be a reasonable estimate that can be documented and reported during the duration of the grant, if selected for funding. For these reasons, stating that a project will benefit the entire specialty crop industry, or that of a particular crop, is not an appropriate response for this question.

4. **Q. Are there any criteria for who can be named as Project Director(s), Project Manager(s), Principal Investigator(s), and/or collaborators who will directly manage activities funded through SCBGP?**
   A. CDFA does not have set requirements for these positions. It is up to the applicant to select the individual(s) best suited and appropriately qualified for the project. Applicants should provide a summary of qualifications for the individuals who will receive a portion of the project funds or who will directly manage activities funded through SCBGP. All personnel who will receive SCBGP grant funds must be appropriately identified in the project budget and associated activities in the Work Plan.

5. **Q. Can SCBGP funds be used to offset business costs for specialty crop farmers or organizations (e.g., using funds to procure, store, and distribute specialty crops through a food hub)?**
   A. SCBGP funds cannot be used to offset business costs for specialty crop farmers or other organizations as this creates the potential for unfair competition and directly benefits the participants through what is effectively a donation of services.

6. **Q. Can SCBGP funds be used to donate and/or distribute specialty crops (e.g., using funds to grow specialty crops for a community garden that delivers free meals)?**
   A. SCBGP funds cannot be used for donations or giveaways, including free meals and/or vouchers for free vegetables. Costs associated with crops grown with the

end purpose of donation are also unallowable, including staff, travel, supplies, and indirect costs associated with growing crops for donation.

7. **Q. Are projects required to last the full two years?**
   A. Two (2) years and eight (8) months is the maximum project duration. Projects are not required to last the full duration; however, they cannot start before or end after the dates specified in the Additional Assistance Program RFP. No-cost extensions beyond the maximum grant duration will not be permitted.

APPLICATION

1. **Q: How do applicants submit proposals to the 2027 SCBGP Additional Assistance Program?**
   A. Applicants must submit their Proposals through CDFA's Grant Opportunity and Administration and Tracking System (GOATS) (https://applications.cdfa.ca.gov/grants/s/e) by 5:00 p.m. PT on January 11, 2027. Incomplete and/or late submissions will not be accepted.

2. **Q. Is a federal tax ID required prior to submitting a Proposal?**
   A. Applicants (or their fiscal sponsor) must have a legal business name and a federal tax ID to submit a Proposal.

3. **Q: Do Additional Assistance Program applicants participate in Phase II?**
   A. Applicants whose Proposals are selected will be invited to complete a Scope of Work (i.e., a more detailed version of their Proposal) with direct support from CDFA. Additional Assistance applicants will not participate in the conventional SCBGP Phase II application process, and the timelines and requirements for the Scope of Work will differ.

BUDGET SECTION

1. **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 federal funds. Applicants are responsible for identifying the federal cost principles appropriate to their organization, applying cost principles to SCBGP grant funds consistently, and ensuring contractors and/or consultants comply with federal cost principle requirements.

2. **Q. What are indirect costs and is there a maximum rate?**
   A. 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. Typically, these involve costs to run an organization as a whole, including administrative staff salaries, information technology services, rent, utilities, internet and telephone service, general use office supplies, insurance, and maintenance. The maximum allowable indirect cost amount is eight (8.00) percent of the total personnel costs (budget category *Salary and Wages* plus category *Fringe Benefits*).

3. **Q. Can applicants charge an indirect cost rate greater than the eight percent of total personnel costs?**
   A. The indirect cost rate for the SCBGP is established in federal statute. Please reference 2 CFR 200.414 (c)(1) (https://www.ecfr.gov/cgi-bin/text-idx?node=se2.1.200_1414&rgn=div8) as well as the Agricultural Act of 2014, Public Law 113-79 10010(4) (https://www.congress.gov/113/plaws/publ79/PLAW-113publ79.pdf). This statutory limitation covers both applicant indirect and CDFA’s costs to administer the program. For this reason, CDFA will not accept requests for indirect costs greater than eight (8.00) percent of total personnel costs. 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 and any contractors will allow an exception for this program before submitting an application.

4. **Q. What are fringe benefits?**
   A. Fringe benefits are allowances and services provided by employers to their employees as compensation, in addition to regular salaries and wages. Fringe benefits should follow an organization’s established policies and may include, but are not limited to, the costs of leave (vacation, family-related, sick, or military), employee insurance, pensions, and unemployment benefit plans. Please refer to 2 CFR 200.431 (https://www.ecfr.gov/cgi-bin/text-idx?SID=35fcd29238edd42c8b1f8b1628e39d47&mc=true&node=pt2.1.200&rgn=div5#se2.1.200_1431) for more information.

5. **Q. Does the 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.

6. **Q. What is the General Schedule 15 (GS-15), Step 10?**
   A. The General Schedule (GS)-15, Step 10 rate is used as a benchmark when evaluating the reasonableness of compensation for contractors and consultants under the SCBGP. Applicants should reference the applicable GS-15, Step 10 rate when developing contractual cost estimates and ensure that proposed rates are reasonable and consistent with fees in the marketplace for similar services. Contractor rates exceeding this benchmark may require additional justification and approval by CDFA and USDA before being charged to SCBGP funds. To access the GS-15 step 10 rate, reference the U.S. Office of Personnel Pay and Leave website (https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/) and click on "GS Pay Tables" under "General Schedule and Locality Pay Tables."

7. **Q. Are stipends an allowable cost?**
   A. Stipends may be allowable when they are reasonable, necessary for the success of the proposed project, and support the competitiveness of specialty crops. Small stipends designed to offset the cost of attending training may be allowable with sufficient justification. However, stipends provided solely or primarily for the benefit of the individual receiving the stipend are not allowable.

COST SHARE

1. **Q. Is cost share a requirement of the SCBGP?**
   A. In the 2026 Notice of Funding Opportunity (NOFO), USDA announced an intent to include a cost share requirement for all awards beginning in federal fiscal year 2027. If put into place, each project would be required to provide a cost share from non-federal sources in the form of cash and/or in-kind contributions equal to 25 percent of the amount of federal funds being requested. CDFA and all applicants will be subject to the terms of USDA's NOFO and Terms and Conditions. CDFA is requiring all applicants to demonstrate they can meet this cost share requirement.

2. **Q. Should there be a matching funds requirement, which costs could be included?**
   A. USDA has not released the 2027 NOFO; therefore, specific requirements regarding eligible cost-sharing contributions, documentation and commitment timelines have not been established. If a matching requirement is implemented, CDFA will provide applicants with additional guidance consistent with USDA's final requirements.

For reference, USDA's Specialty Crop Multi-State Program (SCMP), which is authorized under the same federal statute as SCBGP, now requires cost share in the form of allowable direct costs. Contributions must be documented, committed or secured prior to the award, and cannot include federal funds, program income, or contributions used to satisfy another federal award's matching requirement. These requirements are provided as an example only, as USDA has not indicated whether the same requirements will apply to the 2027 SCBGP.

3. **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.

4. **Q. Is there any restriction on the kind of funds or resources that can be used for cost sharing?**
   A. Funds proposed as cost share must comply with applicable federal requirements, including 2 CFR 200.306 and any additional restrictions established by USDA. Federal funds, including pass-through funds, cannot be used to satisfy cost share requirements. Applicants must disclose any current or potential state or federal funds for a project submitted to the SCBGP in the "Other Support from Federal or State Grant Programs" section if invited to the Scope of Work phase. Reference 2 CFR Part 200.306 (b)(5) (https://www.ecfr.gov/cgi-bin/text-idx?SID=201623e52a9fd321ebc67f5d2bc9365f&mc=true&node=se2.1.200_1306&rgn=div8).

5. **Q. If individuals will support the project but not receive grant funds, is this cost share?**
   A. Yes. If contributors will play a specialized role in the project and are included in the work plan but will not receive grant funds, this is an in-kind donation of services and **must** be included in the cost share summary. Specialized roles such as a project manager, project director, or researcher fall into this category. Non-specialized roles, such as those assisting with setting up a field day or event, distributing information or project results, making connections, etc., in a limited capacity or one that does not require special training, are not required to be listed as cost share.

6. **Q. Should applicants include the activities of individuals providing in-kind contributions in the Work Plan? If so, how should applicants clarify that their contributions are in-kind?**
   A. Any individual or entity performing work that is essential to the success of the project should be included in the Work Plan. The Work Plan should include their activities; the Cost Share section should include the source and value of their in-kind contribution in the same way the Budget must include those paid with grant funds. If these individuals will donate their time, effort, and/or services to the project, this **must** be described in the Cost Share section of the proposal.

REVIEW PROCESS

1. **Q. What is the Technical Review Committee (TRC) and how does the review process work?**
   A. The TRC is composed of volunteers with knowledge and expertise in California's specialty crop industry. The TRC is broken up by funding category to review, evaluate, and make recommendations to CDFA on proposals submitted for funding to California's SCBGP. TRC members individually review and evaluate Proposals based on the criteria established in the Additional Assistance Program RFP and provide funding recommendations to CDFA.

2. **Q. What is required to serve on the TRC? May TRC members submit Proposals?**
   A. All individuals interested in serving on the TRC must submit an application form and a copy of their résumé/CV to grants@cdfa.ca.gov**,** which are reviewed for experience and expertise. TRC members must complete and sign a conflict of interest disclosure and complete state-mandated sexual harassment prevention and ethics training. In addition, applications and résumé/CVs are reviewed to identify possible conflicts of interest. All TRC members are recused from reviewing/discussing any proposals where conflicts of interest are identified or would likely occur. TRC members and their organizations may submit Proposals; however, said members are prohibited from reviewing/discussing them.

3. **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 proposals 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 proposals receive funding. USDA may approach CDFA with questions on specific proposals, in which case CDFA will

work with the applicant to resolve any issues. USDA retains final approval authority and may decline to fund a project recommended by CDFA.