Organic Transition Pilot

REQUEST FOR GRANT APPLICATIONS

Released: July 24, 2023

Applications Due: September 15, 2023, 5:00 PM P.T.

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Contents

Background and Purpose

The California Department of Food and Agriculture is pleased to announce a competitive grant application process for the Organic Transition Pilot (OTP) block grant program. Assembly Bill 178 (Budget Act of 2022) appropriated $5 million to CDFA for the OTP grant program, which was followed by a further $5 million in Senate Bill 101 (Budget Act of 2023), to fund assistance to farmers and ranchers who want to transition land to organic certification. The OTP grant program is designed to provide direct financial assistance for eligible expenditures and improve access to knowledge and technical assistance, including business planning, for farmers and ranchers with land under transition to organic (pre-certification).

CDFA is committed to embedding equity in grant programs, and the OTP program was created to ensure support for the most underserved producers to successfully transition to organic production. For this grant program solicitation, therefore, CDFA encourages applications from organizations who serve small to medium sized and socially disadvantaged California farmers and ranchers.

Priorities Related to the Farmer Equity Act and Budget Act of 2022

The Budget Acts of 2022 and 2023, establishing and funding the OTP, require that assistance provided through the program be prioritized to at least 50% socially disadvantaged farmers and ranchers as defined by the United States Department of Agriculture (USDA). The USDA defines SDFRs with different language but to the same effect as California's Farmer Equity Act.

The Farmer Equity Act of 2017 (AB 1348) defines an SDFR as a farmer or rancher who is a member of a socially disadvantaged group. A "socially disadvantaged group" means a group whose members have been subjected to racial, ethnic, or gender discrimination. Neither the USDA definition nor the Farmer Equity Act include gender, gender identity, or sexual orientation in their covered groups. The covered groups include the following:

- African Americans
- American Indians
- Alaskan Natives
- Hispanics
- Asian Americans
- Native Hawaiians and Pacific Islanders

This legislation recognized that California's farmers and ranchers are made up of a diverse group of people, and not all have historically had access to resources and information to successfully run their businesses. This group of farmers and ranchers is considered socially disadvantaged and has faced historical discrimination, some of which still exists today. To keep California agriculture thriving, there is a need to invest in the long-term prosperity of all of California's farmers and ranchers. More information is available in the 2020 Farmer Equity Report.

To align with the intent of the Budget Acts of 2022 and 2023 and the Farmer Equity Act, CDFA aims to serve a group of farmers and ranchers who are at least 50% Socially Disadvantaged Farmers and Ranchers (SDFRs). See Scoring Criteria.

Funding and Duration

Through this solicitation CDFA will award up to $9.5 million to eligible organizations who will then provide financial and technical assistance to individual producers in the fall/winter.

- The grant term will be up to 48 months.
- The maximum award amount is $2,000,000 and the minimum is $500,000.
- CDFA reserves the right to offer an award different than the amount requested.
- Funds are distributed on a reimbursement basis following submission of quarterly invoices by the awardee.
- Grant funds may not be expended prior to execution of the grant agreements for awarded projects, or after the completion of the grant agreement term.

Eligible Entities

The following entities are eligible to apply for OTP grants:

- Resource Conservation Districts (RCDs)
- University of California, California Community Colleges, or California State Universities
- Non-profit organizations
- California Native American Tribes

Entities applying for OTP grants must have demonstrated expertise in disbursement of funds and outreach for agricultural practices. If they do not have sufficient in-house capabilities to meet all of the four required Objectives,

lead applicants are encouraged to partner with organizations who have relevant experience. For example, partners could supply capacity in one-on-one organic management technical assistance, expertise for language translation, expertise in business planning, access to organic knowledge networks, and/or improved outreach to Socially Disadvantaged Farmers and Ranchers (SDFRs) (as described below in Priorities Related to the Farmer Equity Act and Budget Act of 2022).

Entities receiving grant award funds must be located in California with a physical California business address.

Estimated Program Timeline

Activity	Tentative Dates
Application period begins	July 24, 2023
Applications due	September 15, 2023 at 5 PM Pacific Time
Review of Applications	September 2023
Announcement of Awards	October 2023
Execution of grant agreements for awarded projects	Fall 2023
Grant term begins	Late Fall 2023

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 bid, proposal, or application, Bidder/Applicant represents that it is not a target of Economic Sanctions. Should the State determine Bidder/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 Bidder's/Applicant's bid/proposal/application any time prior to contract/agreement execution, or, if determined after contract/agreement execution, shall be grounds for termination by the State.

Program Objectives

The OTP program has four objectives in assisting farmers and ranchers. Applicants must propose to engage in all objectives to secure funding:

1. **Select Farmers and Ranchers: Carry out an outreach and selection process of commercial farmers and ranchers to receive assistance in organic transition.** The process should include**:**
   a. Outreach to farmers and ranchers who could be served;
   b. Well-defined selection criteria;
   c. A transparent selection process;
   d. Verifying farmers and ranchers have stable tenure on acres under transition to organic, among other requirements found below.

2. **Organic Transition Training and Support: Provide on-farm, one-on-one technical assistance and outreach to farmers or ranchers who have acres that are under transition to organic production but are not yet certified organic.** These should include:
   a. Regular follow-up on implementation knowledge needs including training for organic practices, equipment usage, food safety considerations, and organic rules compliance;
   b. Outreach with specific educational materials;
   c. Assistance in preparing applications for certifications or conservation farming grants that support the transition to organic practices such as USDA EQIP; USDA Organic transition assistance programs; or CDFA incentive programs, such as the Healthy Soils Program or the Conservation Agricultural Planning Grants Program (depending on funding status).
   d. Project coordination, such as with contracted farming service providers;
   e. Translation services, both live and in translating written materials, where appropriate to achieve any Objective.

3. **Organic Business Planning: Coordinate or provide business planning assistance to farmers or ranchers who have acres that have not yet completed three years under certification.** These should include:
   a. Marketing;
   b. Recordkeeping;
   c. Financial literacy training.

4. **Disburse Financial Assistance: Direct financial assistance to farmers who own, lease or rent actively farmed agricultural land that is undergoing a mandatory 3-year transition in preparation for organic certification.** The financial assistance consists firstly of $30,000 support for allowable costs to a farmer or rancher, augmented by up to $1,000 per acre in field-preparation costs for a maximum of 30.0 acres. The maximum funds to be disbursed to a single farmer or rancher are $60,000.

Program Requirements and Restrictions

- Applicant organizations to the OTP will develop a proposal for how they will select farmers and ranchers for direct financial assistance (e.g., competitive; first-come, first-served; other). Applicant organizations must propose a method for review and transparency in this process. For example, a recipient may subcontract an impartial third party to participate in the selection process or form a review committee made up of representatives of partner organizations.
- Grant recipients **must** implement outreach efforts to ensure awareness and access in their service areas or target populations. CDFA will require reporting on methods of communication used, and efforts to support outreach in languages other than English.
- Grant recipients **must not** charge farmers and ranchers fees to provide technical or any other assistance associated with the project. Outreach materials prepared by the grant recipient must indicate that the assistance is free and no additional fees or costs will be imposed on the farmer or rancher.
- Grant recipients **must not** require farmers and ranchers to include specific proprietary products or favored contractors and other service providers.
- Grant applicants **must** declare all conflict(s) of interest including sponsorship or funding by any corporation that may profit from CDFA's OTP program.
- An eligible entity **must not** apply as the lead applicant for the OTP program on more than one application per funding cycle.
- Grant recipients **must** prioritize assistance to SDFRs, seeking to support a group of farmers and ranchers who are at least 50% SDFRs, both for financial assistance and technical assistance (see below: "Priorities Related to the Farmer Equity Act and Budget Act of 2022"). The final degree of success in meeting this goal could affect a recipient's competitiveness for future OTP awards.
- Grant recipients **must** verify that the listed field(s) are under transition before giving direct financial assistance.
- Before the end of the grant, recipients **must also** take all reasonable steps to facilitate the development of an Organic System Plan (OSP).

Facilitation may involve assisting the farmer or rancher in seeking funding to develop the OSP.

- Grant recipients **must** provide information related to the farmers and ranchers that receive technical and/or financial assistance through the Quarterly Reporting process, as described below in the [Reporting](#) section. These requirements should be reviewed carefully in preparing an application. Individual farmer data collected through this program may be subject to Public Records Act requests, which are vetted through the CDFA Legal Department. Additionally, CDFA's Office of Environmental Farming and Innovation may either directly, or through a third-party research contract, use individual farmer data to conduct assessments of the program's efficacy.

Farmers and Ranchers Eligible to Receive Technical and Financial Assistance

California farmers, ranchers, including California Native American Tribal members, and farm lessees, including urban farmers, are eligible to receive technical and financial assistance from OTP block grant recipients as long as they have tenure over land that is in organic transition and not yet certified. It is CDFA's intent that assistance is disbursed widely through the Recipient's service area. For this reason, an individual farmer or rancher is limited to receiving general assistance of up to $30,000 and field preparation assistance of up to $30,000, for a combined maximum award of $60,000 in financial assistance. Multiple individual farmers may not receive funding to transition the same physical fields. OTP Recipients should strive to obtain participation from a broad group of farmers and ranchers that are geographically and socially distributed throughout the community served.

OTP Recipients are responsible for ensuring that participating farmers and ranchers meet these criteria:

- Must be over 18 years of age;
- Must be engaged in commercial agriculture or have a plan to market their agricultural products for profit after organic certification
  - University, research and non-profit organizations' farms are not eligible for assistance;
- Must have an Organic System Plan (OSP) developed, or attest to their intention to develop one;
- Must show that they lease, own, or otherwise have stable tenure or access to the fields where project activities are proposed to occur for the entirety of the project duration. If leasing land, they must provide written approval from the landowner. If lease term is shorter than the project term, lessees

should provide a written statement from the landowner that lease renewal will be discussed in good faith, and that the landowner expects the land to enter organic certification under the current lessee.

How to Apply

Online Application Platform

The OTP application must be submitted online. When the application period is opened, the application materials and a link to the application portal can be found at https://www.cdfa.ca.gov/oefi/otp. Applicants must create a user account to submit a grant application. All applications, supporting documents and submissions are subject to public disclosure including posting on the CDFA Office of Environmental Farming and Innovation (OEFI) website.

To ensure applications and attachments are submitted successfully, CDFA strongly encourages all applicants to comply with the computer system recommendations provided by Amplifund. CDFA cannot guarantee that the Amplifund system will be compatible with other browsers or operating systems. Amplifund recommends that applicants:

- Use Chrome, Firefox, Edge or Safari;
- Avoid using an iPad, iPhone or similar mobile device;
- Save work often, as the system will time out after a period of time and any unsaved work will be lost.

For guidance navigating the Amplifund portal, please see the Amplifund Portal User Guide.

Applicants are encouraged to gather all required information and to fill out the Workplan prior to completing the online application, to facilitate effective and timely submission. If you have any technical difficulties with the application, please send an email to cdfa.oefi_otp@cdfa.ca.gov and include the applicant's name and name of the project in the subject line.

Application Questionnaire and Budget

The online application process includes the following stages: 1) Opportunity Details, 2) Project information, 3) Application Forms, 4) Budget, 5) Submit. Applicants may review the application questions and required documents to be attached in Appendix B: Preview of Application Questionnaire and Appendix C: Budget Categories and Descriptions.

CDFA requires all entities to be involved in executing the OTP grant objectives to be identified. If awarded, the OTP grant agreement will be between CDFA and the lead applicant organization. The lead organization must ensure that all required and proposed tasks are fully completed.

While completing the application forms, applicants will upload resumes of key personnel from each participating organization and contractors and indicate the role of each person whose resume is attached. Resumes must provide evidence of expertise in areas relevant to the service to be provided.

Each budget item in the budget template must support a Program Objective. Applicants must clearly describe each participating organization's anticipated expenses, as applicable. All costs must be directly related to and necessary for completion of project. Awarded funds will be paid to the lead organization. The lead organization is responsible for disbursement of funds to other participating organizations and contractors.

Budget Cost Categories
General Cost Requirements:

Cost Category	Percent of Grant	Examples of Costs
Administrative	Up to 15% of Total Award	• Managing Partnerships • Disbursing funds to partners or agricultural operations • On-farm project selection process • Tracking project progress and expenditures • Tracking metrics • Completing reporting and invoicing • Participating in required meetings with CDFA
Technical and Implementation Assistance	Up to 15% of Total Award, in addition to any leftover funds if Administrative costs are less than 15%	• Outreach and educational materials • Developing plans, such as OSPs, with farmers or ranchers

		• Gathering documentation from farmers • Coordinating with vendors • Providing training or support to farmers or ranchers during implementation
Direct Financial Assistance to Farmers and Ranchers	At least 70%	• Up to $30,000 grants per farmer or rancher • Up to $1,000 per acre in transitioning field preparation assistance to above farmers and ranchers (up to 30.0 acres each, using single decimals)

Personnel: Estimate the hourly cost of salary, wages and fringe benefits associated with each activity by individuals employed by the applicant organization.

Contractor: Estimate the 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, equipment, supplies, other, and indirect costs. List the services to be provided and the contractors that will work on the project and be paid with grant funds.

Supplies: Estimate the cost of supplies associated with each activity. Supplies are items with an acquisition cost less than $5,000 per unit that are used exclusively for the objectives of the project. Categorize 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 Supplies.

Equipment: Estimate the cost of equipment associated with each activity. 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.

Travel: Estimate the cost of project-related travel associated with each activity except by contractual personnel. In the description column, describe the travel that will be necessary to accomplish the objectives of the project.

Other: Estimate the cost of all other project related expenses to support each activity. Expenses typically listed under "Other" include registration fees to attend professional education or training, meeting space or equipment rentals, subscriptions, etc. List the specific types of expenses necessary to accomplish the objectives of the project.

Indirect: 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. University of California (UC) and California State Universities (CSU) may claim the established indirect cost rate with CDFA. All other eligible organizations may claim an indirect cost rate of up to 25 percent of total direct costs.

Examples of Allowable Costs for Grant Recipients

- **Personnel and/or Contractor** expenses associated with:
    - On-farm visits to discuss organic management plans or equipment training;
    - On-farm or remote visits to discuss marketing strategies, bookkeeping approaches, and compliance/certification issues;
    - On-farm or remote visits to help farmers apply for other funding sources or for certifications;
    - Translation services to increase the impact of grant activities;
    - Reporting and invoicing, including field visits to verify certain purchases reported by farmers or ranchers;
    - Participating in professional development courses and training relevant to the program objectives;
- **Travel Expenses** to farms or training venues including mileage, lodging, per diem, vehicle rental and/or leasing of a vehicle;
- **Supplies and/or Equipment** needed for soil or crop evaluation or training including computers, software and vehicle renting or leasing.

Allowable Costs for financial assistance to farmers

General Award ($30,000 maximum per farm):

- Organic livestock, poultry, and related expenses, such as animal health management required by organic standards;
- Organic feed;
- Educational materials, training on organic certification and production, or meeting attendance, in addition to services offered by the block grant recipient organization;
- Inspection and certification fees;
- On-farm water or soil testing fees;
- Outside consultant fees if desired, as for development of an Organic System Plan (OSP);
- Farming supplies to be applied to organic farming on the transitioning acres, such as organic-approved plastic mulch;
- Farm equipment and repair to that equipment, where equipment is specific or widely preferred for organic farming of the type expected to occur on the transitioning acres[1]. Qualifying equipment must be drawn from the following list, or authorized by CDFA:
  1. Compost production, storage or spreading installations and equipment;
  2. Weed management tools such as flamers or tines, tarps, row cover;
  3. Transplanting or direct seeding equipment;
  4. Intercropping equipment and modifications;
  5. IPM-aligned equipment;
  6. Other cover-cropping equipment;
- On-farm processing and distribution equipment (e.g., peelers, coolers, produce washing, sorting and sizing bins, refrigerated vehicles for transporting whole or minimally processed food) where it is applicable to the products expected from transitioning acres.

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[1] Regarding equipment purchased using grant funds, as long as the item of equipment has a fair market value of $5,000 or more, any change in disposition (e.g., sale, exchange or transfer) must be approved by the CDFA. Requests shall be approved or denied, or an alternate disposition offered, in accordance with CDFA's Grant Administration Regulations (For more details, see California Code of Regulations- Title 3, Division 1, Chapter 5 Grants Administration).

Field-preparation Award (additional) ($1,000 per acre for up to 30.0 acres, $30,000 maximum)

These costs must be applied directly to specific acres undergoing transition. Such costs can also be covered by the General Award if the farmer or rancher wishes:

- Organic seeds and starts, including cover crop seeds;
- Organic fertilizers;
- Organic pest control inputs;
- Ecosystem enhancement supplies and equipment (e.g., hedgerows, owl boxes, riparian area protection);
- Compost, compost building materials, and similar organic amendments;
- "Custom farming" operations (e.g., contracting out to perform planting).

Unallowable Costs

Examples of unallowable costs for the block grant recipient include but are not limited to:

- Personnel or contractor hours that are not related to activities listed in this Request for Grant Applications, nor approved as exceptions ahead of time by CDFA's OTP Program Manager;
- Completion of tasks that are outside of approved workplan and budget;
- Assisting farmers or ranchers as they implement CDFA Climate Smart Agriculture grant projects (SWEEP, HSP, or AMMP);
- Research;
- Demonstration project costs and other agricultural equipment costs;
- Food/drinks and entertainment;
- The purchase of a vehicle.

Examples of unallowable costs for financial assistance to farmers and ranchers include but are not limited to:

- Property or land rent or lease;
- Taxes;
- Owner or employee labor;
- Inputs for land outside the defined transitioning field(s), or for animals not dependent on the transitioning field(s).

Questions and Answers (Q&A)

During the application period, CDFA will host an informational webinar to provide an overview of program guidelines and application materials. Visit the CDFA OEFI OTP website for more information and to register for the webinar.

General questions regarding the solicitation process may be submitted to cdfa.oefi_otp@cdfa.ca.gov. Responses to all questions received by email will be posted to CDFA's Technical Assistance website following this schedule:

Questions Received By:	Responses Provided By:
August 7, 2023	August 11, 2023
August 28, 2023	September 1, 2023

August 28, 2023 at 5:00 p.m. PT is the final deadline to submit questions. To maintain the integrity of the competitive grant process, CDFA is unable to advise and/or provide individuals with any information regarding specific grant application questions during the solicitation process.

Review Process

Applications will be reviewed in a two-stage process:

Administrative Review

The purpose of the administrative review is to determine whether grant application requirements are met. During the administrative review, the following will result in the automatic disqualification of a grant application:

- Incomplete grant applications: applications with one or more unanswered questions necessary for administrative or technical review.
- Incomplete grant applications: applications with missing, blank, unreadable, corrupt, or otherwise unusable attachments.
- Applications that include activities outside the grant duration.
- Applications with unallowable costs or activities necessary to complete the project objectives.
- Requests for more than the maximum award amount.
- Applications that do not comply with Eligibility or meet Program Requirements and Restrictions

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 name on the 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.

Technical Review

Technical review will be completed by CDFA staff in the Office of Environmental Farming and Innovation and the Farm Equity Office. Technical review will be based on the detailed scoring criteria outlined below.

Scoring Criteria

Criteria	Maximum Points
Statement of Applicant Qualifications (SOQ), including Partnerships (as needed to provide services) • Does the SOQ clearly identify the capacity and experience of the lead applicant organization to provide organic management technical assistance? Alternatively, does the lead applicant have experience collaborating with other organizations if it plans to do so to satisfy this objective? • Does the lead applicant have experience disbursing and tracking funds? • Does the applicant have the capacity to effectively reach SDFR communities, and has it done so in the past? How? • Are roles of key personnel from each participating organization, including the lead organization, clearly described?	30

Criteria	Maximum Points
- Has the applicant adequately explained how the education, work history, and/or technical expertise of key personnel makes them qualified for this role? - Do the resumes of individuals listed in the proposal align well with relevant expertise? - If a partner organization is indicated, does the partnership support assistance to a larger or more diverse base of farmers and ranchers than would be accomplished by a single organization?	
Statement of Need and Service to SDFRs **Description of Communit(ies) to be Served and Justification:** - Does the statement of need describe the project area's geographical boundaries? - Does the statement of need describe the needs of the communit(ies) and farmers and ranchers to be served? - Does the statement of need describe crop types, patterns, and trends in the project area, and the benefits that organic transitions could bring in those crops, such as benefits from cutting pesticide applications? - Does the statement of need describe the economic and practical potential for organic transition, e.g., of particular crops, in the project area? - Does the statement of need describe the role that assistance could play in facilitating that transition in the agricultural community that will be served by the project? - Does the proposal outline the demographic communities that would be served, and their language or technical assistance needs? **Service to SDFRs:** - Will the organization, alone or in partnership with another organization, meet the goal of having 50% of their financially-assisted farmers and ranchers be SDFRs?	30

Criteria	Maximum Points

• What percentage of financially-assisted farmers does the organization estimate will be SDFRs?
    o If the organization is unable to commit to meeting the 50% inclusion requirement to SDFRs, what is the minimum percentage of individual SDFRs that they will be able to commit to serving?
    o If the organization is unable to commit to 50% inclusion, do they include a clear justification?
• Are bilingual services to be offered? In which languages?	

Workplan • Does the applicant discuss their plan for conducting outreach? • Does the applicant include adequate details about how the organization will reach SDFRs? • Does the applicant describe how they will have a transparent selection process? • Are the estimated numbers of farmers the applicant proposes to assist supported in specific data and local experience (both SDFR and non-SDFR)? • Does the applicant estimate the acreage to be treated with field-preparation funds? Does the applicant provide sufficient details of all activities proposed? • Does the organization have a clear plan to provide technical assistance? • Will the organization need to hire or contract project technical assistance providers? • Does the application include a detailed reporting and evaluation component? • Does the application explain how the proposal will build upon existing efforts or support other projects? • Does the workplan address the needs that were identified in Statement of Needs? • Does the project proposal fulfill the four required objectives of the OTP program?	30

Criteria	Maximum Points
Budget • Does the proposed budget outline all anticipated expenses? • Do the personnel costs directly support the objectives of the Program? • Are the costs included in the budget for each activity reasonable? • Is the budget consistent with the Workplan? • Is the division of funds between Objectives reasonable?	10
Total	**100**

Details on Scoring for Statement of Need and Service to SDFRs

The OTP program aims to extend financial assistance to a group of farmers and ranchers that is at least 50% SDFRs. Applicants may receive the full 30 points available in the "Statement of Need and Service to SDFRs" scoring category by thoroughly describing their existing opportunities to serve SDFRs, presenting a comprehensive plan that addresses the need through the program objectives, indicating a commitment to the SDFR participation goal, and describing how this will be achieved and tracked. CDFA strongly recommends that applicants propose offering bilingual services in their technical assistance.

CDFA recognizes that in some areas of the state it may be difficult to identify a group with 50% SDFR participants, given that demographics of agricultural producers are not uniform throughout California. For this reason, OTP applicants may receive partial points for providing details on how they will attempt to fulfill the prioritization even if they are not able to commit to the full goal. Up to fifteen out of thirty points can be available to applicants who cannot commit to assisting a group that is 50% SDFRs, as long as this is fully justified in context of the service area.

All OTP awardees will track the number of SDFRs served by OTP projects. All OTP awardees will also track the amount of funding utilized to support SDFRs.

Past Performance

Past performance of applicants in OEFI programs, if applicable, may be taken into consideration during selection. Past performance criteria may include timely and satisfactory completion of funded activities, reporting requirements, declared minimum SDFR goals, data on meeting funding priorities, quantity and quality of past project performance including project terminations or incomplete projects, or unresponsiveness to communications from CDFA.

Award Decisions

CDFA staff will recommend the highest scoring applications for an award of grant funds while also considering equitable regional distribution of funds, cropping system diversity, and other factors. The funding recommendations will be presented to the Secretary of the Department of Food and Agriculture for approval and final decision.

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. CDFA will post basic information on the Organic Transition Pilot Program website (https://www.cdfa.ca.gov/oefi/otp) regarding the applications received at least 10 days before awarding grant funds. After projects are selected and all funds are encumbered, CDFA will post an updated list of awarded projects. Applications will be treated in accordance with Public Records Act requirements and certain information, subject to those requirements, may be publicly disclosed.

Grant Recipient Information

Grant Agreement Execution

Applicants 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 no later than the end of the grant agreement term.

Award Process Timeline

Grant Agreement Stage	Estimated Time for Stage Completion
Grant packet is completed – During this step, CDFA will work with awardees to get the information the state needs to execute the grant. The timeline for this step is dependent on how quickly information is provided to CDFA staff.	Variable
Grant Execution	Up to 120 days
Processing advance payments: If awardees request and are granted an advance payment, please be aware that it will take up to 4 weeks to process this payment once the grant is executed. (See Payment Process)	Up to 4 weeks

Project Implementation

Once a Grant Agreement is fully executed the grant recipient can begin implementation of the project if it is after or on the project start date.

Payment Process

CDFA will provide grant recipients with the necessary grant award and invoicing documents.

Recipients may be eligible for advance payment, subject to the provisions of section 316.1 "Advance Payments" of the California Code of Regulations, Division 1, Chapter 5. These are available for up to 25% of the award. If appropriate justification is submitted and awardee follows grant management requirements, additional advance payments may be issued in accordance with CDFA's Grant Administration regulations. Recipients will receive payment through both advances and reimbursements. CDFA will provide the recipient with the necessary invoicing documents for the advance payment and reimbursement process. Recipients will be required to submit quarterly invoices for costs associated with administration, provision of technical assistance to farmers and ranchers, and on-farm project implementation. Farmers' expenditures must be tracked to verify that they are made for allowable costs.

CDFA will withhold the final payment until work is complete and meets expectations agreed upon in Grant Agreement Scope of Work, including all reporting requirements. Invoicing and closeout of all project expenditures must be completed no later than 60 days after the end of the grant agreement.

Reporting

Grant recipients must submit detailed quarterly Progress Reports to CDFA identifying activities accomplished in the reporting period. CDFA will provide a customized reporting template and schedule to grant recipients.

Quarterly Progress Reports will include, at a minimum:

- Names and preferred form of contact information (email, address, phone number) of farmers and ranchers enrolled for direct financial and/or technical assistance with acres verified to be under Organic Transition
- Total number of individuals assisted through broader technical assistance activities;
- Information about acres under transition, including county, number of acres under transition to a single decimal, demographic data of the corresponding farmer, and financial assistance amount;
    - OTP awardees should develop a process (e.g., survey) for farmers and ranchers to indicate if they self-identify as belonging to a socially disadvantaged group.
- Project maps defining the borders of the fields for transition and identifying their acreage;
- Costs associated with assisting SDFRs;
- Dates and names for:
    - On-farm visits for organic system management/planning;
    - Provisions of translation services;
    - On-farm or remote financial or recordkeeping training, or marketing consultation;
    - On-farm or remote assistance to help farmers apply for other funding sources or for certifications.
- Links and/or files for digital training materials that have been created. If not already digital, a photo or scan should be submitted.
- Links to translated files or digital training materials that have been created. If not already digital, a photo or scan should be submitted.

For the Project Final Report:

- Numbers of farmers and ranchers who received direct financial assistance and were certified during the grant term;

- Information on the different farming systems assisted and certified: crops, acreage, location, and practices supported;

- SDFR-demographic information on certified farmers;

- Summary of organic certifications obtained;

- Non-certified farmers' stage in the certification process, including completion/incompletion of OSPs, with SDFR status;

- Categorical summary of items and practices reimbursed, with disbursements per category.

- Recipients commit to creating at least three one-page case studies of farmers who have successfully implemented organic transition. Case studies will include photos, personal profiles, and a description of the project. CDFA may use this material to promote OTP.

Critical Project Review

Grant recipients must agree to a Critical Project Review and auditing during the project term to verify project progress as reported in Progress Reports submitted to CDFA, including number of farmers assisted. If it is determined by CDFA from the Critical Project Review that at that time the grant project is not meeting and is unlikely to meet certain milestones, CDFA has the right to terminate the Grant Agreement pursuant to the Terms and Conditions of the Grant Agreement. Termination may result in forfeiture by the grantee of any funds retained.

Grant Closeout

Following submission of the final report, a CDFA Environmental Scientist, or a CDFA-contracted third party, will carry out an exit interview with the OTP recipient and will conduct site visits on a sample of the farm locations with the OTP recipient. Invoicing and closeout of all project expenditures must be completed within 60 days after the grant agreement expires.

Audit Requirements

For auditing purposes, recipients are required to maintain project records, including detailed technical assistance records, source documents, and evidence of payment.

Projects are subject to audit by the State annually and for three (3) years following the final payment of grant funds. If the project is selected for audit, the recipient will be contacted in advance. The audit shall include all books, papers, accounts, documents, or other records of recipient, as they relate to the project. All project expenditure documentation should be available for an audit, whether paid with grant funds or other funds. The recipient must have project records readily available and must provide an employee with knowledge of the project to assist the auditor. The recipient must provide a copy of any document, paper, record, etc., requested by the auditor.

Accounting Requirements
The recipient must maintain an accounting system that:
- Accurately reflects fiscal transactions, with the necessary controls and safeguards.
- Provides a good audit trail, including original source documents such as purchase orders, receipts, progress payments, invoices, employee paystubs and timecards, evidence of payment, etc.
- Provides accounting data so the total cost of each individual project can be readily determined.

Appendix A: Confidential Information

The California Public Records Act (Government Code sections 6250, et seq.) and related statutory definitions of "confidential or proprietary information" (also known as "trade secrets") determine what information provided by the applicant is exempt from public disclosure. The following describes how questions are resolved regarding what information is confidential, the legal protections for confidential information, and internal and program procedures to maintain confidentiality.

What is "confidential?"

The California Public Records Act prevents the disclosure of confidential or proprietary information including, but not limited to:

- Confidential Business and financial information, including volume of business, costs and prices, customers, financial condition, trade secrets, and similar information obtained under an express or implied pledge of confidence. (Eva. Code § 1060 and Gov. Code § 6254).
- Personal data including tax information prohibited from disclosure. (Gov. Code § 6254 and Rev. & Taxation Code § 19542.
- Information Practices Act of 1977 (Civ. Code section 1798 et seq.)

Applicants are directed to clearly marked, on each page, "confidential/proprietary information" those documents they feel contain confidential or proprietary information. However, the mere marking of documents as "confidential/proprietary information" will not result in their being treated as confidential if they are not exempt from disclosure under the California Public Records Act.

What if there is a question about what is confidential?

The CDFA Legal Office will review the records and make a determination as to whether or not the records are exempt from disclosure.

What program procedures will keep information confidential?

Financial information will be analyzed, on a need-to-know basis, by staff from the CDFA, kept confidential, and will be maintained with restricted access. The records will be kept for the amount of time set forth in CDFA's Internal Record Retention Policy.

Appendix B: Application Questionnaire

To be filled out online at:
https://www.gotomygrants.com/Public/Opportunities/Details/53b4684e-9e41-477d-ae13-e13baf35b4bf

Asterisks mark required fields.

Part 01: Applicant Information

Lead Organization Name - Block Grant Recipient (BGR) *

Organization Type *

Taxpayer Identification Number (xx-xxxxxxx) or Federal Employer Identification Number: *

Evidence of Non-profit Status *

Nonprofit Type *

Lead Organization Address *

Primary Contact First Name and Last Name *

Primary Contact Phone, and Extension, if applicable *

Primary Contact Email *

Secondary Contact information (*same requirements*) *

Fiscal Contact information (*not required*)

California Senate and Assembly District Numbers (*can be found using the Lead Organization's business address, at* https://findyourrep.legislature.ca.gov/)

_____

Part 02: Partner Organization(s) and/or Contractor(s)

Name(s) of Organization(s), if any

Role(s) of Organization(s), if any

_____

Part 03: Qualification of Applicants

Applicants provide a statement of qualification describing their alignment and expertise in organic technical assistance grant administration and/or funds disbursement; outreach; and relationships with farming communities including organic producers, Socially Disadvantaged Farmers and Ranchers (SDFRs), and farms of small size. If the lead organization will partner with other organization(s), the qualifications of the applicant's section must also include a description of the partners' expertise using criteria relevant to their role, from the list above. CDFA encourages strategic partnerships among various regional organizations to leverage diverse expertise. Applicants must also provide resumes of key personnel and describe their roles clearly.

Please upload CVs of all relevant persons for the application (lead org and partnership org). Lead persons are those listed on the application contact section, and any additional persons who had CVs or resumes uploaded in this section. *

1) In no more than 2 paragraphs (600 words), please describe the lead organization's and partner organizations' (if applicable) mission and historical alignment with the work of the Organic Transition Program, and connection with organic agriculture knowledge networks. *

2) In no more than 1 paragraph (300 words), please describe the organization(s') existing connections with farmers and ranchers, and how those support the proposed work. *

3) In no more than 3 paragraphs (900 words), please describe the lead persons', lead organization's, and partner organizations' (if applicable) experience with technical assistance for organic practice implementation, and the respective roles of all three in the proposed work . Specify whether technical assistance personnel are to be hired, and describe their roles. *

4) In no more than 3 paragraphs (900 words), please describe the lead persons', lead organization's, and partner organizations' (if applicable) experience and expertise in relationship building and outreach to farming communities relevant to the scope of this project. In the response, please include any outreach or relationship building experience or plans targeting Socially Disadvantaged Farmers and Ranchers (SDFR), and small farms (500 or less acres). *

5) In no more than 2 paragraphs (600 words), please describe the lead persons' and lead organization's expertise in funds disbursement and tracking, grant administration, or project management. Please include in the response a description of the grant administration personnel structure and any tools that will be used for tracking grant progress and reportable data. *

_____

Part 04: Statement of Need and Service to SDFRs

Applicants provide a statement describing how OTP funding can address the needs of the community and effectively prepare farming operations for organic management. Applicants will provide a list of counties they are intending to cover. They should describe the relevant agricultural systems, the opportunities related to organic management, and the benefits that could be generated by organic transition. Applicants must discuss the community demographics in their service area and describe the target communities and related language needs.

The program's goal will be to reach at least 50% Socially Disadvantaged Farmer and Rancher (SDFR) representation among the beneficiaries of financial assistance. The proposal must either make a commitment to that 50% target or, if unable to do so, provide a minimum commitment for SDFR representation, for partial points.

The proposal must clearly explain the outreach strategy to address technical assistance needs, equity, and transparency. The statement of need must be consistent with the project Workplan.

1) Please indicate the counties included in your main service area. *

Also provide a brief (300 words or less) written description of service area. *

Attachment submission for service area map (*optional, .pdf only*)

The program's goal will be to reach at least 50% Socially Disadvantaged Farmer and Rancher (SDFR) representation among the beneficiaries of financial assistance. The proposal must either make a commitment to that 50% target or, if unable to do so, provide a minimum commitment for SDFR representation. Estimates may also be named above 50%, but additional points will not be awarded for them, and the commitment will be regarded as "50%." If committing to a percentage less than 50%, applicant must provide justification

of why 50% is not achievable. Indicate the committed percentage of SDFR representation among beneficiaries of financial assistance. *

2) In no more than 3 paragraphs (900 words), please describe the target communities in your coverage area, making sure to highlight any underserved and SDFR communities that would benefit from OTP funding. Justify, with data and/or experience, the level of SDFR commitment made above. If it is less than 50%, explain how the estimate is both ambitious and achievable. Also make sure to identify the language assistance needed for the target communities in the proposed service area. *

3) In no more than 3 paragraphs (900 words), explain how OTP funding will address the needs of the identified target communities. As part of the response, make sure to identify crop types, patterns, and trends in the project area, and the benefits that organic transitions could bring in those crops, such as benefits from cutting inorganic pesticide application. Also, briefly describe the economic and practical potential for organic transition, e.g., of particular crops, in the project area. Describe the role that technical and financial assistance could play in facilitating that transition in the agricultural community that will be served by the project. *

Part 05: Workplan Merit and Feasibility

The applicant will provide a detailed Workplan describing how Program Objectives will be completed. Each task associated with the Program Objectives will be listed, along with its start and end dates and the title(s) of the personnel responsible for each task. As part of the program deliverables to be included in the Workplan, the applicant will be asked to outline a proposal for how on-farm projects will be selected (e.g., competitive, first-come first-served, other). The applicant must propose a method of review and transparency in this process. For example, an applicant may subcontract a third party to participate in the selection process, or form a review panel or board. Applicants must provide detailed descriptions of how equity will be incorporated into their funding decisions, and whether multilingual services will be provided, and if so, to what extent (e.g., grant administration, outreach, technical assistance, etc.).

Please download the template below (*or at* www.cdfa.ca.gov/oefi/otp) and use it to fill out information regarding the tasks associated with accomplishing each program objective. When ready to upload, please save the file in a .xls or .xlsx file format and use the naming convention, "ApplicationID_WorkPlan.fileformat", and then upload the completed workplan below.

Information on finding your application ID for the Workplan: The Workplan Template requires you to enter your application ID in the first entry row (it will auto-populate for the rest of the rows). You can locate your application ID in the URL of your application browser. The ID is the 5-digit number at the end of the URL.

1) Outreach – In no more than 3 paragraphs (900 words), please describe the outreach plan for identifying potential grant beneficiaries in the project service area. The outreach plan must include specifics on how the applicant will ensure transparency and assess equity, including prioritization to Socially Disadvantaged Farmers and Ranchers (SDFRs) according to the commitment made earlier. If relevant, mention how the proposed outreach might build upon existing efforts or projects; where relevant, please reference responses in the "Statement of Need and Service to SDFRs" section. *

Number of Farmers expected to receive financial assistance *

Number of Acres estimated to receive field preparation financial assistance *

2) In up to 4 short paragraphs (800 words), justify the proposals above using data and/or experience. Targets should be ambitious but reasonable. Estimates can also be made and justified regarding the number of farmers or ranchers expected to be reached through outreach, and how many would likely receive on-farm technical assistance without a financial award. *

3) On-farm project development and approval – In no more than 3 paragraphs (900 words), please describe how grant beneficiaries' proposed projects will be developed and selected for award. Where relevant, please reference responses in the "Statement of Need and Service to SDFRs" section. In your description, please include (i) the methods to be used for review and transparency in the award selection process, such as whether the solicitation will follow a first-come first-served, competitive, or another type of selection process, and whether third parties will be involved in review; (ii) the role of TA in the process, including any

translation of application materials, etc., (iii) How practice information and field maps with coordinates will be collected. *

4) On-farm project implementation – In no more than 4 paragraphs (1200 words), please describe how implementation of organic management practices will be facilitated for the grant beneficiaries. In the description, please include in what ways on-farm and remote technical assistance (TA), business planning, organic funding application assistance, and translation services will be executed and available to the grant beneficiaries. Please refer to the Program Objectives for more specific items. Where relevant, please reference responses about needs in the Statement of Need and Service to SDFRs, or other sections, avoiding repetition of unnecessary details provided elsewhere while making the overall plan clear. *

5) On-farm project quality and verification – In two paragraphs (600 words or less), discuss how consistency and quality will be assured across all on-farm projects and how any potential changes to an on-farm project that are necessary to meet quality and consistency standards will be recorded and communicated to CDFA. Also describe how verification of implemented on-farm projects will be performed with an emphasis on transparency. In the description, make sure to reference the Workplan timeline to ensure adherence to OTP implementation timelines. *

6) Recipients are required to collect information for selected on-farm projects and provide it to CDFA on an ongoing basis. In no more than 2 paragraphs (600 words), please describe your organization's ability to collect program and on-farm project-level data to provide to CDFA in a standard report. In the response, include a description of the methods used to record, track, and report progress of on-farm project implementations up to completion, and maintain the associated documents and records for 3 years after the grant term ends. Data to be collected may include personal identifying information, demographic information, and project-level details. Please refer to the OTP Block Grant RGA for details on information to be collected. *

7) In no more than 3 paragraphs (900 words) provide a summary of the overall project. In the response, provide a high-level description of the project goals, regional needs, and types of support. The response should be written in third person. *

Part 06: Budget (*to be filled out online*)

Applicants will submit an itemized budget outlining tasks and costs associated with each task. Through the application narrative, applicants will indicate projected/estimated expenses related to administration, technical assistance, and on-farm projects. The proposal will also discuss how block grant funding will be tracked over the grant term including monitoring and disbursement of funds to partner organization(s) and Grant Beneficiaries, and how technical assistance (TA)will be tracked including expenses related to Socially Disadvantaged Farmers and Ranchers (SDFRs).

1) In no more than 3 paragraphs (900 words), please describe the projected/estimated expenses related to 1) administration, 2) technical assistance, and 3) on-farm projects. In your response please reference other sections of the application, including the Workplan, as relevant. *

2) In no more than 2 paragraphs (600 words), please describe how block grant funding will be tracked over the required period, including disbursal of funds to partner organizations and grant beneficiaries. Please make sure to include how the block grant will monitor and track grant funds to grant beneficiaries (e.g., farm/ranch owner or farm lessee for on-farm projects) identified as SDFRs. *

Part 07: Additional Supporting Documents

You may upload any extra/optional supporting documents.

Appendix C: Budget Categories and Descriptions

A. On-Farm Grants. Estimate the total amount of funds that the organization can disburse based on the number of on-farm grants that the BGR can assist implementing during the grant period.

B1. Personnel Salary and Wages, and Fringe Benefits – Administration. Estimate the hourly cost of salary, wages associated with each task and the total numbers of hours required. Also, estimate the fringe benefits associated with compensation.

B2. Personnel Salary and Wages, and Fringe Benefits – Technical Assistance. *Same as above, but for technical assistance.*

C1: Travel – Administration. Estimate the cost of project-related travel necessary for successful implementation of the grant.

C2: Travel – Technical Assistance. *Same as above, but for technical assistance.*

D1. Supplies and Equipment – Administration. Estimate the cost of supplies associated with each activity. Supplies are items with an acquisition cost less than $5,000 per unit that are used exclusively for the objectives of the project. Categorize the types of supplies to be purchased. General use office supplies (e.g., paper, printer ink, pens, etc.), facilities costs (telephone, internet, etc.), and administrative costs are considered indirect and should not be included under "Supplies". Also, estimate the cost of equipment associated with each activity. 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. Applicants must provide detailed justification including why such purchase(s) are necessary over renting such equipment.

D2. Supplies and Equipment – Technical Assistance. *Same as above, but for technical assistance.*

E1. Contractual – Administration. Estimate the cost of work on the project that will be performed by individuals/organizations other than the applicant (e.g., consultants, contractors, partner organizations other than TAPs, etc.) for administrative purposes. This amount should include all associated salary and wages, fringe benefits, travel, equipment, supplies, other, and indirect costs. List the services to be provided and the contractors that will work on the project and be paid with grant funds.

E2. Contractual – Technical Assistance. *Same as above, but for technical assistance.*

F1. Other – Administration. All other costs that are necessary for administration but not covered under the categories above.

F2. Other – Technical Assistance. *Same as above, but for technical assistance.*

G1. Indirect Cost – Administration. 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 University of California or California State University may claim their agreed-upon indirect cost rate with CDFA. All other entities are eligible for 20% of total direct costs as indirect cost (not including on-farm grant funds).

G2. Indirect Cost - Technical Assistance. *Same as above, but for technical assistance.*