



Conservation Agriculture Planning Grants Program

CDFA OFFICE OF ENVIRONMENTAL FARMING & INNOVATION

GRANT AWARD PROCEDURES MANUAL - 2022



CALIFORNIA DEPARTMENT OF
FOOD & AGRICULTURE

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General Information

Authority and Purpose

The 2022 CAPGP funding arises from the Budget Act of 2021 which appropriated \$17 million to CDFA for Technical Assistance and Conservation Management Plans. With this funding, CAPGP will provide up to \$14.7 million in funding to eligible applicants for the development of plans. The funded plans will promote CSA efforts which will help to mitigate greenhouse gas (GHG) emissions, support agricultural adaptation to climate change impacts and promote environmental and agricultural sustainability.

Purpose of the Grant Award Procedures Manual

The 2022 CAPGP Grant Award Procedures (GAP) Manual is designed to provide direction to Grant Recipients (Recipients) for the successful management of CAPGP funded projects. The GAP identifies roles and responsibilities of all parties and describes the processes and procedures required by the Grant Agreement terms and conditions.

General Responsibilities

California Department of Food and Agriculture

The California Department of Food and Agriculture (CDFA), Office of Environmental Farming and Innovation (OEFI) oversees the CAPGP Recipient grant agreements and is responsible for monitoring Recipients to ensure compliance with program requirements and grant terms and conditions. The OEFI will provide Recipients with assistance and consultation on all matters related to their Grant Agreement.

Grant Recipients

Recipients are responsible for project implementation as outlined in the Grant Agreement Scope of Work (SOW) and Budget. Recipients are responsible for submitting timely and accurate invoices and progress reports during the project term.

Assistance

The OEFI is available to answer questions regarding program requirements throughout the Grant Agreement term. Recipients will be assigned a Grant Specialist from the OEFI to answer questions and assist with grant management. For questions or assistance, Recipients should contact their assigned Grant Specialist.

Required Forms

Forms and templates referenced in this GAP document can be found in the Recipient Resources box at: [CDFA - OEFI - CAPGP - Recipient Resources](#)

Project Management

Recipients are responsible for the overall management of their project, including monitoring activities conducted by contractors/consultants, to ensure compliance with program requirements and Grant Agreement terms and conditions. In addition, Recipients must directly monitor project progress to ensure project activities are completed within the project term.

Recipients must maintain clear and consistent communication with OEFI regarding project progress, semi-annually, throughout the grant term, particularly if problems or issues arise resulting in project delays. Upon discovery of problems and/or delays, Recipients must notify their assigned Grant Specialist immediately for purposes of resolving such problems and/or delays. (Refer to Notification of Problems and Delays section for further details.)

Contractors/Consultants

Recipients may contract for services that cannot be performed by staff employed by the Recipient. Generally, these services are for a short-term period and provide a specific and identifiable product or service. All contractors/consultants must have the proper licenses/certificates required for their respective disciplines.

Recipients are responsible for ensuring their contractors/consultants comply with all applicable state and local laws, regulations, and ordinances. Contracting out must not affect the Recipient's overall responsibility for the management of the project, and the Recipient must reserve sufficient rights and control to enable them to fulfill their responsibilities for the project.

Notification of Problems and Delays

Upon discovery of problems, delays, or adverse conditions that will materially affect project implementation, the Recipient must notify OEFI in writing within ten (10) business days. Some problems or delays may require a revised SOW.

Examples include, but are not limited to:

- Inability to complete any portion of the project activities according to the approved SOW
- Significant personnel changes, such as a change in the lead technical assistance provider
- Change in project objectives and activities

Prior Approval

Prior approval is required for any revision to the project as approved in the SOW or Budget. Recipients must submit a revision request in writing to their assigned Grant Specialist. The information required for a request for approval varies

according to the type of approval sought. Contact the assigned Grant Specialist in writing to obtain prior approval requirements.

Prior approval is required from OEFI for the following:

- Revision of the SOW and/or Budget
- Project Modification Request Form (i.e., Budget revisions)

Failure to obtain prior approval may result in CDFA disallowing expenditures, suspending payments, or terminating the Grant Agreement.

Scope of Work Revisions

SOW revisions may be required when unforeseen circumstances prevent Recipients from completing the project objectives and activities outlined in the SOW and budget.

Requests for project revisions must be made in writing to the assigned Grant Specialist and provide a detailed justification explaining the need for the change and how the proposed change benefits or enhances the project. SOW revision requests must clearly outline changes to project activities and any impacts to the implementation timeline and budget.

Examples of project changes that require a SOW revision include, but are not limited to:

- Deviation from activities outlined in the SOW and budget
- Removal of planned activities from the SOW and budget
- Budget revisions

Recipients must obtain prior approval from OEFI in writing before proceeding with project revisions to the SOW. Failure to obtain prior approval of SOW revisions may result in unallowable costs, as reimbursement is available only for approved project components.

For detailed instructions on completing the Project Modification Request Form, refer to [Appendix A](#).

Budget Revisions

If changes to the Budget are necessary to implement the project, Recipients are required to complete and submit to their assigned Grant Specialist a Line-Item Shift Request (LISR) using the [Project Modification Request Form](#) to request adjustments to budget items. The Project Modification Request Form must be accompanied by a revised Budget Worksheet. The total project award amount cannot be increased or decreased through this process. A budget revision of \$2,000 or less in the invoice of the project may not require a Project Modification Request Form, but the Recipient must consult with their assigned Grant

Specialist. Grant Specialists can be reached at the following address:
cdfa.oefi_capgp@cdfa.ca.gov

Recipients must obtain written approval from OEFI prior to incurring costs under the revised Budget. Failure to obtain prior approval of Budget revisions may result in CDFA disallowing expenditures.

Line-Item Shift Request Form

When adjustments to the project results in the need to shift funds from one budget category to another, Recipients are required to complete and submit to the Grant Specialist a Line-Item Shift Request (LISR) using the [Project Modification Request Form](#). All unshaded areas under the “Line-Item Shift Budget Worksheet Adjustment Table” must be completed as follows:

- Enter the current approved budget values. These amounts should be taken from the most recent approved invoice, “Project Budget Categories” column.
- Enter the amount of funds shifted from a budget category as a negative by using brackets “()”, and the amount of funds shifted to a budget category as a positive amount by using the plus sign “+”. The revised budget will automatically be calculated.

The LISR must be accompanied by a revised Budget Worksheet. The total project budget cannot be increased or decreased through this process.

Financial Management

Recipients are accountable for all grant funds awarded and must ensure all funds are used solely for their authorized purposes. Recipients must maintain receipts, invoices, etc. for project expenditures submitted to OEFI for reimbursement.

Allowable Costs

A cost is allowable if it is approved in the project budget. For the CAPGP, the project budget would only be approved if it is based on the CAPGP Flat Payment Rates for eligible plans. Any other itemized costs are not allowable.

Unallowable Costs

A cost is unallowable if it does not comply with program requirements or other terms and conditions of the Grant Agreement. A cost is also unallowable if it is not contained in the approved scope of work and is not necessary and reasonable to implement the approved eligible plans. If a Recipient is uncertain

whether a cost is allowable, they must contact their assigned Grant Specialist before the cost is incurred.

Payment Method

Reimbursement Payments

Reimbursement payments may take up to 45 days from the date the invoice payment request is approved for a payment check to be issued by the State Controller's Office.

To request reimbursement payments, Recipients must submit a completed plan along with a simple invoice (CDFA will provide an invoice template) to their assigned Grant Specialist for reimbursement of allowable project costs incurred to implement their project.

CDFA reserves the right to reduce the amount reimbursed if costs are found to be unallowable.

Reimbursements must be requested on the CDFA invoice template provided by the assigned Grant Specialist.

Invoices

When to Submit Invoices

CDFA invoices must be submitted quarterly. Invoices are due no later than 60 calendar days after the quarterly period and are required regardless of whether project costs are incurred during the invoice period.

The quarterly periods are:

Quarterly Period	Invoice Due Date
January 1 – March 31	May 31
April 1 – June 30	August 31
July 1 – September 30	November 30
October 1 – December 31	February 28

Advance Payments

Recipients may be eligible to receive advance payments to cover anticipated project expenditures during the grant term. The advance payment should not exceed 25% of the total award amount and must be expended within a three-month period. Advance Payments could be requested more than once. The remaining funds will be allocated on a reimbursement basis.

The Advance Payment must be fully expended within a three-month period before requesting additional Advance Payments.

Advance Payment Requests Procedures

To ensure timely processing of an Advance Payment Request, Recipients must do the following:

- Estimate the advance amount needed for up to a three-month period.
- Complete an Advance Payment Request and justification (e.g., low cash flow); and
- Submit the Advance Payment Request and justification to their assigned Grant Specialist no fewer than 45 days before the cost will be incurred.

Completing an Invoice

Request for Reimbursement Invoice

Instructions for how to request the reimbursement of project costs from CDFA will be provided by your assigned Grant Specialist after the start of the grant agreement.

Final Invoices

Final invoices are due no later than 60 calendar days following the expiration of the Grant Agreement term or after the project is complete, whichever comes first.

CDFA invoices submitted to the Grant Specialist will be reviewed for completeness and accuracy. The Grant Specialist will promptly notify the Recipient of any incompleteness or deficiencies which appear on the invoice. Once the incompleteness or deficiencies are corrected, the Grant Specialist will process the invoice for payment. The Grant Specialist may request additional information or supporting documentation to determine the eligibility and/or ineligibility of allowable costs.

Withholds

Withhold Payment Notification

The Grant Specialist issues a Withhold Payment Notification (Notification) to delay payment of an invoice if there are discrepancies or issues regarding project implementation. The Notification describes the reason for withholding payment and what actions, if any, may be required. The Grant Specialist will contact the Recipient within ten business days of receiving the Notification for purposes of resolving any issues. Invoices are processed once all issues are resolved.

Withhold Pending Closeout

The OEFI will withhold ten percent (10%) from the total grant award until approval of the final invoice, the verification requirement, and/or resolution of

any performance issues prior to close-out. A Withhold/Dispute will not be sent, and the ten percent withhold may not be appealed.

Suspension of Payments

If a Recipient is not compliant with the Grant Agreement terms and conditions, CDFA may suspend reimbursement. Upon discovery of any violations of the Grant Agreement terms and conditions, the Recipient will be advised in writing of the terms breached and the reasons for imposing suspension of payments.

A determination of breach may be appealed in writing and addressed to the CDFA Legal Hearing and Appeals Office and sent to the address below or emailed to CDFA.LegalOffice@cdfa.ca.gov:

California Department of Food and Agriculture
Legal Hearing and Appeals Office
1220 N Street
Sacramento, CA 95814

The appeal must include a copy of the notification or the name of the Recipient organization, the project number, the title of the project, the reasons the action should not be imposed, including any documentation to support the appeal, and the signature of the authorized representative.

Appeals must be postmarked (date stamped if via email) within 10 business days of the notice of action from OEFI. Appeals not received within this timeframe will be denied. The action specified in the notification remains in effect while the appeal is under review.

Verification Requirement

Recipients must notify their assigned Grant Specialist in writing that project objectives are complete. Once OEFI is notified projects are complete, a CDFA Environmental Scientist will review the final progress report and contact Recipients to schedule an exit interview to complete the verification requirement.

The purpose of the verification requirement is to verify proper completion of the project according to the approved SOW. For example, during the exit interview the verifier will seek to understand:

- The aggregate impact of the project including the number of individuals assisted
- The location of any written or internet-based materials that were developed with grant funding

- Any feedback that the Recipient would provide CDFA on the program.

The verifier will complete a verification report indicating the project results and other project related information as applicable. Once the verification is complete and the verification report reflects that project SOW has been fulfilled, the Recipient will be issued the final payment.

Critical Project Review

The State of California has the right to review project documents and conduct audits during project implementation and over the project life. CDFA may conduct a Critical Project Review upon reasonable notice at any time during the grant term. The purpose is to determine whether deliverables are being met and evaluate project implementation progress to ensure projects are complete within the project term.

If a Recipient is not meeting deliverables resulting in delays with project implementation, CDFA will conduct a Critical Project Review to assess the project status. Recipients may be required to submit financial records and project documentation to ensure CAPGP funds are used for their intended purposes in compliance with the Grant Agreement terms and conditions, and this GAP manual. Documentation may include, but is not limited to, invoice/receipts for project costs, contractor/consultant and sub-contractor invoices and agreements, permitting/agreement fees associated with interconnection, etc. Recipients must allow access to project records and documentation relevant to the Grant Agreement.

Project Close-out

Before the Grant Agreement is closed, CDFA will review the verification report and final invoice, and ensure resolution of any project concerns. A closeout letter and final payment will be issued when resolution is complete.

Note: Close-out does not cancel record retention, financial accountability, or post-project requirements.

Record Retention

Recipients must retain invoices and receipts, project records, and any other relevant supporting documents for a period of three full calendar years following the close-out letter.

Records that must be retained include:

- Actual expenditure invoices of supplies and equipment charged to grant fund.
- Contractor/Consultant reimbursement claims for work (labor) performed on the project.

- All other supporting financial documentation related to the Grant Agreement.

Appendix A: Project Modification Request Form



State of California
California Department of Food and Agriculture
 Office of Environmental Farming and Innovation

Project Modification Request Form

Date:	Grant Agreement #:	Grant Award Amount:	Revision Request #:
10/01/23	22-XXXX-XXX-SO	\$500,000.00	1
Grant Recipient Information:			
Grant Program: Alternative Manure Management Program			
Organization Name: ABC Dairy Inc			
Contact Name: Alex Example			
Telephone: XXX-XXX-XXXX			
Email:			
Type of Modification (Check All Applicable)			
<input type="checkbox"/> Work Plan (e.g. addition or deletion of activities/deliverables; change to start/end dates of tasks)			
<input type="checkbox"/> Scope of Work (e.g. project narrative, design, project partners/team members)			
<input type="checkbox"/> Budget			
<input type="checkbox"/> Others (explain below)			
Description of the Modification			
<p><i>1. Provide a detailed description of proposed modification in this section.</i></p> <p><i>2. For all modifications except Budget Revisions: Attach a revised document as applicable. Please review the project's SOW and mark any proposed modifications by striking through any old text (do not delete), and adding new text in red font.</i></p> <p><i>3. For Budget Revisions: Please fill out the section "Line Item Shift Budget Adjustment Table" below. If the budget revision includes changes in cost of equipment, supplies or services, please provide an updated quote.</i></p>			
Justification:			
<p><i>Justification should cover reasons for request and detailed explanation of how the change will impact the project, including but not limited to: 1) Project Timeline 2) Budget 3) Estimated GHG Emission Reduction 4) Permits</i></p>			

Line Item Shift Budget Adjustment Table (only fill out if applicable)			
Project Budget Categories	Current Project Budget Amounts	Line Item Shift Revisions enter negative amount with (-) enter positive amount with (+)	Revised Project Budget
	(A)	(B)	(A+B)
1. PERSONNEL			
a) Salaries & Wages	\$0.00	\$0.00	\$0.00
b) Fringe Benefits	\$0.00	\$0.00	\$0.00
2. OPERATING EXPENSES			
a) Supplies and Materials	\$0.00	\$0.00	\$0.00
b) Equipment	\$0.00	\$0.00	\$0.00
c) Travel	\$0.00	\$0.00	\$0.00
3. CONTRACTORS/LABOR	\$0.00	\$0.00	\$0.00
4. OTHER DIRECT COSTS	\$0.00	\$0.00	\$0.00
5. INDIRECT COSTS	\$0.00	\$0.00	\$0.00
Totals:	\$0.00	\$0.00	\$0.00
(MUST NET \$0) (MUST EQUAL GRANT AWARD AMOUNT)			
Requestor Information:			
<input checked="" type="checkbox"/> By checking this box, I certify that I am an authorized representative for this project			
Name		Telephone Number	
Alex Example		XXX-XXX-XXXX	
Title/Role on Project		Date	
Dairy Owner/Manager		10/2/2023	
For Department Use Only			
Program Comments and Recommendation:			
<input type="checkbox"/> Reviewed by Program staff			
<input type="checkbox"/> Approval does not require SO-36 Form <input type="checkbox"/> Approval requires SO-36S Form <input type="checkbox"/> NOT APPROVED			
CDFA AUTHORIZED SIGNATURE:		DATE:	
-X-			

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Recipients should complete all sections highlighted in red. For Requestor Information, an ink signature is not needed – checking the box serves as certification that an authorized representative of the project (usually the Recipient or authorized contact identified on the grant agreement) is submitting the request. The form should be returned as an Excel document.