

# Prior Approval Required

## Resilient Food Systems Infrastructure Program (RFSI)

Track 1: Infrastructure Grants  
Track 2: Equipment Only Grants  
2024

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Some changes to your Grant Agreement may be made with prior approval. If an activity or item is already in your approved budget, it is approved and does not require further approval. The U.S. Department of Agriculture (USDA) has shared guidance that purchases of similar-but-not-exact equipment (e.g., a Mercedes delivery van instead of a Ford delivery van) do not require prior approval. Note that the total grant-funded amount may *not* be increased.

The California Department of Food and Agriculture (CDFA) recommends Recipients read this document in its entirety and, if still unsure if prior approval is needed, consult the assigned Grant Analyst before making any changes.

# Track 1: Infrastructure

## Scope of Work Revisions

Prior approval is required when the recipient may need to make changes to the project's scope, objective, or project budget during the project duration. A request must be submitted in writing and shall include a description of the revised scope, objective, or project budget.

Note: Revisions to the Performance Measures are not allowed except in extreme circumstances. Please consult the assigned Grant Analyst.

## Line Item Shift Request

Prior approval is required when a change to budget line items is necessary. A Line Item Shift Request must be submitted and shall include:

- A justification for the change.
- Authorized Representative approval.
- A revised Scope of Work.

Note that the total grant-funded amount and Indirect Cost totals (whether grant-funded, in-kind, or both) may *not* be increased.

## Special Purpose Equipment

Prior approval is required for costs associated with expenditures for special purpose equipment with a unit cost of \$5,000 or more. A request must be submitted and shall include:

- A detailed description of the special purpose equipment.
- A justification for the purchase of the special purpose equipment, including how it will further the objectives of the project.
- A description of how the special purpose equipment will support infrastructure in the middle of the supply chain, rather than one individual or organization.
- An itemized cost of the special purpose equipment.
- A formal quote from the vendor selling the special purpose equipment.

Note: General purpose equipment is unallowable. Please see the [Grant Management Procedures \(GMP\) Manual](#)

([https://www.cdfa.ca.gov/rfsi/docs/2024\\_rfsi\\_grant\\_management\\_procedures\\_manual-infrastructure.pdf](https://www.cdfa.ca.gov/rfsi/docs/2024_rfsi_grant_management_procedures_manual-infrastructure.pdf)) for the definitions of general purpose and special purpose equipment.

## Rental of Property

Prior approval is required for costs associated with property rental. A request must be submitted and shall include:

- A detailed description of the purpose of the property rental, including how it will further the objectives of the project.
- Detailed cost of the property rental and what the cost includes (monthly rental cost, annual rental cost, access to the land, utilities, etc.). The rental cost must be a fair market value.
- Note that land rental is not allowable under RFSI.

## Charging Typically Indirect Costs as Direct Costs

Prior approval is required to charge typically indirect costs as direct costs. A request must be submitted and shall include:

- Description of how the administrative or clerical costs are integral to the project or activity.
- Description of the methodology to specifically identify the administrative or clerical costs with the project or activity.
- Confirmation that the costs will not also be recovered as indirect costs.

## Domestic and Foreign Travel

Prior approval is required for all travel costs, both foreign and domestic. This includes adding a new trip, changing the location of a previously approved trip, and significant changes to the scope or budget. A request must be submitted and shall include:

- A description of the purpose of the trip, including an explanation of how the trip will further the objectives of the project and strengthen the middle of the supply chain.
- Number of people traveling.
- The title of each person traveling.
- Number of days traveling.
- Itemized breakdown of estimated airfare costs.
- Itemized breakdown of estimated ground transportation costs, and method of travel (taxi, ride-share, rental vehicle, shuttle, public transportation).
- Itemized breakdown of estimated lodging and meal costs.
- Itemized breakdown of estimated number of miles, mileage rate and costs for travel.
- Itemized breakdown of any other estimated travel-related costs (including costs associated with exchange rates).

Note: The maximum travel rates allowable for international travel are those established in a per diem supplement to Section 925, U.S. Department of State Standardized Regulations ([www.state.gov](http://www.state.gov)). The maximum travel rates allowable for domestic travel are those established by the U.S. General Services Administration ([www.gsa.gov](http://www.gsa.gov)). All air travel is subject to the Fly America Act.

## Contracting Out or Obtaining the Services of a Third Party

The term “Contractor” below includes Consultants.

Prior approval is required to contract out or transfer project work activities or obtain the services of a third party. A request must be submitted and shall include:

- An explanation of how the activities to be performed by the contractor will further the scope or objectives of the project.
- A justification for the change in contractor or consultant.
- A description of the third party’s qualifications.
- The company name and a formalized bid/quote.
- A revised budget narrative.

Please also see Contractor/Consultant Rates.

## Contractor/Consultant Rates

The term “Contractor” below includes Consultants.

### Hourly Rates in Excess of Maximum Allowable Rate

Prior approval is required for an hourly rate in excess of the maximum allowable rate (GS-15 step 10) (<https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/2015/general-schedule/>). A request must be submitted and shall include:

- An explanation of how the activities to be performed by the contractor will further the scope or objectives of the project.
- A description of the steps taken to hire a contractor, which includes obtaining a cost/price analysis (bid/quote) from at least three contractors who can perform the service. The purpose of the cost analysis is to review and evaluate each element of cost to determine reasonableness.
- The company name and bid/quote for each analysis.

If the selected contractor’s specialized qualifications necessitate hiring at a rate exceeding the maximum allowable rate due to the complexity or uniqueness of the project, and the pool of available and qualified contractors is limited, the following information shall also be included in the request:

- A description of the complexity or uniqueness of the project.
- An explanation of how the activities to be performed by the contractor will further the scope or objectives of the project.
- A description of the steps taken to hire a contractor, including a description of the pool of available and qualified contractors contacted.
- A description of the unique qualifications of each contractor contacted.
- The company name and bid/quote for each cost/price analysis.

## Flat Fee or Fixed Amount Contracts

If the contract is for a flat fee or a fixed amount, the request shall include:

- An explanation of how the activities to be performed by the contractor will further the scope or objectives of the project.
- A description of the steps taken to hire a contractor, which includes a cost/price analysis from at least three contractors who can perform the service. The Specialty Crop Block Grant Program California Department of Food and Agriculture (Rev. 05.2021) Page 4 of 5 purpose of the cost/price analysis is to review and evaluate reasonableness of the flat fee or fixed amount.
- The basis for determining the flat fee or fixed amount.
- A description of the unique qualifications of the contractor, if applicable. The company name and contract amount for each cost/price analysis.

Note: All contracts, whether hourly, flat fee or fixed amount, and regardless of the rate, are subject to the competitive procurement process as required by 2 CFR 200.317 – 200.326 (<https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200/subpart-D/subject-group-ECFR45ddd4419ad436d/section-200.317>) and 48 CFR 31.204 (<https://www.ecfr.gov/current/title-48/chapter-1/subchapter-E/part-31/subpart-31.2/section-31.204>).

## Change in Recipient Organization, Key Personnel

Prior approval is required for the following:

- Proposed change of the recipient organization name or address. A request must be submitted and shall include:
  - The name, address, and telephone number of the new recipient organization.
  - The name and title of the head of the new recipient organization.
  - The reason(s) for the change.
  - The UEI must remain the same while only the organization name or address would change.

Please note a Grant Agreement with the new recipient organization and completed Federal Funding Accountability and Transparency Act (FFATA) form will be required after the change in recipient organization is approved.

- Proposed change of key personnel of the recipient organization, such as the Executive Director, Project Manager, Project Director, or the authorized representative listed in the Notice of Award. A request must be submitted and shall include:
  - The name, title, address, and telephone number of the new key personnel of the recipient organization.
  - The effective date.
  - The new key personnel's qualifications.
  - The reason(s) for the change.
  - Written notification from the new key personnel signifying their willingness to serve on the project.

## Absence of Key Personnel

Prior approval is required for the following:

- Absence of key personnel for any continuous period of three months or more.
- Key personnel reduces the time base by 25 percent or more. A request must be submitted and shall include:
  - The name, title, address, and telephone number of the new key personnel, if applicable.
  - Description of how the impact to the project will be minimized or eliminated.
  - The effective date.

## Middle of the Supply Chain Activity/Supply Costs

Prior approval is required when an activity or supply cost was not included in the originally approved Scope of Work and is now being added, or when there are significant changes to the scope or budget. A request must be submitted and shall include:

- A revised Scope of Work.
- A detailed description of the change/addition, including how it will further the objectives of the project.

## Cost Share or Matching Funds – Changes in the Amount

If the award has cost sharing or matching requirements, the recipient must request prior written approval to change the amount of the approved cost share or match or to change the amount of approved cost sharing or match provided by

a project partner or by a subrecipient. The request must include:

- A justification for the change
- Cash Commitment per year (if applicable) and Total Cash Match
- In-kind Contribution per year (if applicable) and Total In-kind Match. Break down items into categories as applicable:
  - a. Salaries (employee name, title, duties, pay rate/hr., amount matched per year)
  - b. Items/Activities (fair market value per unit, how value determined (provide documentation), and amount matched per year)
- A description of how the required match will be met including the source of the match, the amount of the match to be provided, and the composition of the match. Recipient must use the same format for presenting the match verification that was used in the approved application; and
- A description of the change that includes a comparison between the latest budget and the proposed budget as well as an updated budget narrative of the affected cost categories to demonstrate that the overall required match will be met. The recipient must use the same form/format for presenting the budget information that was used in the approved application.

The recipient may use the Match Verification Template Letter as a starting point for developing its change request. Please add any additional information requested above to the letter. Consult the assigned Grant Analyst for a copy of the Match Verification Template Letter.



## Track 2: Equipment Only

### Scope of Work Revisions

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  - The new key personnel's qualifications.
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