

USDA SPECIALTY CROP BLOCK GRANT PROGRAM

Enhancing the Competitiveness of Specialty Crops in Virginia

Fiscal Year 2022
Guidelines and Instructions

Application Due Date:
Monday, March 21, 2022 - 5:00 PM Eastern

*These guidelines and instructions are based on the 2022 Request for Applications and
are subject to change.*

Administered by

VIRGINIA DEPARTMENT OF AGRICULTURE
AND CONSUMER SERVICES

P.O. Box 1163
Richmond, Virginia 23218

Program Solicitation Information

Funding Opportunity Title from USDA AMS:

Specialty Crop Block Grant Program – Farm Bill

Assistance Listing Number (Formerly CFDA) Number:

10.170

Federal Funding Opportunity Number:

USDA-AMS-TM-SCBGP-G-22-0003

Dates: Applications must be sent electronically to Melissa.ball@vdacs.virginia.gov by **5:00 p.m. Eastern Time on Monday, March 21, 2022**. Applications received after this deadline will not be considered for funding.

Executive Summary: The Virginia Department of Agriculture and Consumer Services (VDACS) requests applications for the fiscal year (FY) 2022 Specialty Crop Block Grant Program (SCBGP). Projects will be reviewed, selected, and modified as necessary and compiled into one submission (State Plan) to the U.S. Department of Agriculture (USDA). These funds are for projects that enhance the competitiveness of specialty crops. Virginia's portion of USDA's AMS Specialty Crop Block Grant is estimated to be approximately \$600,000. This request for applications identifies the eligibility criteria for projects and applicants, and the application forms and associated instructions needed to apply for this grant. VDACS encourages applications that benefit smaller farms and ranches, new and beginning farmers and ranchers, socially disadvantaged producers, veteran producers, and/or underserved communities. For grants intending to serve these entities, applicants should engage and involve those beneficiaries when developing projects and applications.



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1.0 FUNDING OPPORTUNITY DESCRIPTION

1.1 LEGISLATIVE AUTHORITY

Legislative authority is provided under section 101 of the Specialty Crops Competitiveness Act of 2004 ([7 U.S.C. § 1621 note](#)), as amended by section 10107 of the Agriculture Improvement Act of 2018 (Pub. L. No. 115—334) (Farm Bill).

1.2 PURPOSE

The Specialty Crop Block Grant Program (SCBGP) assists State departments of agriculture in the 50 States, American Samoa, the Commonwealth of the Northern Mariana Islands, the Commonwealth of Puerto Rico, the District of Columbia, Guam, and the U.S. Virgin Islands to enhance the competitiveness of specialty crops by—

- (1) leveraging efforts to market and promote specialty crops;
- (2) assisting producers with research and development relevant to specialty crops;
- (3) expanding availability and access to specialty crops; and
- (4) addressing local, regional, and national challenges confronting specialty crop producers.

Specialty crops are fruits and vegetables, dried fruit, tree nuts, horticulture, and nursery crops (including floriculture). A State department of agriculture is the agency, commission, or department of a State government responsible for agriculture within the State.

1.3 PROJECT TYPES

The U.S. Department of Agriculture (USDA), Agricultural Marketing Service (AMS) administers the SCBGP. VDACS and USDA encourage projects to enhance the competitiveness of specialty crops pertaining to the following issues affecting the specialty crop industry:

- enhancing food safety;
- improving the capacity of all entities in the specialty crop distribution chain to comply with the requirements of the Food Safety Modernization Act ([21 U.S.C. Chapter 27](#)), for example, developing “Good Agricultural Practices,” “Good Handling Practices,” “Good Manufacturing Practices,” and in cost-share arrangements for funding audits of such systems (including USDA GroupGAP) for small farmers, packers and processors;
- investing in specialty crop research, including research to focus on conservation and environmental outcomes;
- developing new and improved seed varieties and specialty crops;
- pest and disease control;
- increasing child and adult nutrition knowledge and consumption of specialty crops;
- improving efficiency and reducing costs of distribution systems; and
- sustainability.

USDA promotes climate-resilient landscapes and rural economic systems, including tools to support agriculture, forests, grazing lands, and rural communities. AMS encourages applicants to consider including goals and activities related to reducing and stabilizing the levels of heat-trapping greenhouse gases in the atmosphere or adapting to the already occurring climate change in their project’s design and implementation.

1.3.1 PROJECTS MORE RELEVANT FOR OTHER FEDERAL GRANT PROGRAMS

Entities that engage in projects that support the increased consumption of fruits and vegetables in the Supplemental Nutrition Assistance Program (SNAP) by providing incentives at the point of purchase and/or include technologies for benefit redemption systems should consider submitting those projects to the [Gus Schumacher Nutrition Incentive Program](#).

Entities that engage in projects that support domestic farmers' markets, roadside stands, community-supported agriculture programs, agritourism activities, other direct producer-to-consumer market opportunities, and local and regional food business enterprises that process, distribute, aggregate, or store locally or regionally produced food products should consider submitting those projects to the [Farmers Market Promotion Program](#) and [Local Food Promotion Program](#).

Entities that engage in projects that support biobased products and bioenergy and energy programs, including biofuels and other alternative uses for agricultural and forestry commodities (development of biobased products), should see the USDA energy website at <http://www.usda.gov/energy/matrix/home> for information on how to submit those projects for consideration to the energy programs supported by USDA.

1.4 DEVELOPMENT OF PROPOSALS

1.4.1 VDACS RESPONSIBILITIES

VDACS is responsible for developing and overseeing funded projects. Applicants must structure proposals so that the State department of agriculture maintains control of the project objectives, sets policy, and ensures that projects are carried out in accordance with all applicable Federal statutes and regulations as well as with the Grant Agreement Terms and Conditions. VDACS is also responsible for ensuring that subrecipients maintain appropriate records and follow all applicable Federal statutes and regulations as well as the Grant Agreement and General Terms and Conditions. VDACS must ensure that proposals are appropriate for the SCBGP by reviewing section 1.2 Purpose.

1.4.2 OUTREACH TO IDENTIFY FUNDING PRIORITIES

VDACS will perform outreach during the development of its State Plan. Requests for proposals and applications will be sent to interested parties, including beginning and socially disadvantaged farmers, through a transparent process of receiving and considering public comment to identify state SCBGP funding priorities.

- **Beginning Farmer or Rancher** is an individual or entity that has not operated a farm or ranch for more than 10 years and substantially participates in the operation.
- **Socially Disadvantaged Farmer or Rancher** is a farmer or rancher who is a member of a Socially Disadvantaged Group. A Socially Disadvantaged Group is a group whose members have been subject to discrimination on the basis of race, color, national origin, age, disability, and, where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or a part of an individual's income is derived from any public assistance program.
- **Veteran Farmer or Rancher** is a producer who served in the United States Army, Navy, Marine Corps, Air Force, or Coast Guard, including the reserve component thereof, was released from service under conditions other than dishonorable, and has not operated a farm or ranch or has operated a farm or ranch for no more than 10 years or who first obtained status as a veteran during the most recent 10-year period.

1.4.3 COMPETITIVE GRANT APPLICATION REVIEW PROCESS

VDACS will develop its State Plan through a competitive review process to ensure maximum public input and benefit. The competitive review process will follow State policies and procedures and include the use of an independent review panel of experts or qualified individuals, overseen by State officials. This review will include the factors and reasons for selecting an applicant and any changes in project proposal ranks/scores that may occur during the review process. All documentation affecting the decision to approve, disapprove, defer, or otherwise not fund an application will be maintained in an accessible, centralized program file.

State departments of agriculture must abide by [2 CFR § 400.2](#). Review panel members must be free from conflicts of interest and conduct fair and impartial reviews.

VDACS will notify successful and unsuccessful grant applicants about the outcome of the competitive process as it relates to the applicants' proposals.

VDACS will review funding requests carefully for activities funded previously to ensure:

- The projects are likely to become self-sustaining and not indefinitely dependent upon publicly and privately granted funds;
- Funding decisions are based on the applicant's/subrecipient's past performance; and
- Specialty crop stakeholders, other than the applicant, individuals, and organizations involved in the project, support the continuation of the project.

1.4.4 DEFINITION OF A PROJECT

A project is a set of interrelated tasks with a cohesive, distinct, specified, and defined goal. It follows a planned, organized approach over a fixed period of time and within specific limitations (cost, performance/quality, etc.). Additionally, it uses resources that are specifically allocated to the work of the project and usually involves a team of people.

Projects are different from other ongoing operations in an organization because, unlike operations, projects have a definitive beginning and end - they have a limited duration. One way to think about this is that a project has an overarching goal that the applicant wants to accomplish through a series of individual activities or tasks. Examples of projects include:

- Researching new cultivars
- Providing outreach opportunities on specialty crops to youth, families, seniors, and the overall community
- Marketing apples through a targeted promotional campaign

Activities or tasks that could be a part of such projects might include:

- Hiring personnel
- Holding an educational workshop
- Planting specialty crops

1.4.5 MULTI-STATE PARTNERSHIPS

A multi-state partnership is a project that implements activities with measurable outcomes that benefit two or more U.S. States and/or Territories. Multi-state partnerships are encouraged and should provide solutions to problems that cross state boundaries including, but not limited to, food safety, plant pests and disease, research, crop-specific projects addressing common issues, and marketing and promotion. State departments of agriculture with multi-state partnership projects can also consider submitting those projects to the [Specialty Crop Multi-State Program \(SCMP\)](#).

2.0 AWARD INFORMATION

2.1 TYPE OF FEDERAL ASSISTANCE

VDACS will use a Memorandum of Understanding (MOU) to provide support to successful SCBGP applications.

2.2 TYPE OF APPLICATIONS

VDACS will review all new applications for conformance with the criteria in 5.0 Application Review Information. VDACS may require the applicant to provide additional information or clarification by a specified deadline.

2.3 AVAILABLE FUNDING AND GRANT PERIOD DURATION

VDACS anticipates approximately \$600,000 will be available to fund applications in fiscal year 2022 (FY 22) for the SCBGP.

VDACS will award funds for a grant period of up to two years in length. The grant period must begin no later than October 1, 2022 and end no later than September 29, 2024, two years from the start date.

2.4 GRANT AMOUNTS AVAILABLE TO EACH APPLICANT

Individual projects may request funding of no more than \$75,000 over a two-year period.

3.0 ELIGIBILITY INFORMATION

3.1 ELIGIBLE APPLICANTS

Applications will be accepted from agricultural associations, industry / producer groups, community based organizations, and academia that seek to improve the competitiveness of specialty crops in Virginia. Applications for grant funds should describe how the project potentially affects and produces measurable outcomes for the specialty crop industry and/or the public rather than a single organization, institution or individual.

3.2 ENHANCE THE COMPETITIVENESS OF U.S. OR U.S. TERRITORY GROWN SPECIALTY CROPS

Project(s) must enhance the competitiveness of Virginia-grown specialty crops in either domestic or foreign markets. See the SCBGP website for a definition of specialty crops and processed products, including a list of eligible specialty crops and ineligible commodities.

3.3 BENEFIT MORE THAN ONE PRODUCT OR ORGANIZATION

Applications for grant funds should describe how the project potentially affects and produces measurable outcomes for the specialty crop industry and/or the public rather than a single organization, institution, or individual.

VDACS will not award grant funds for projects that solely benefit a particular commercial product or provide a profit to a single organization, institution, or individual. In addition, recipients cannot use grant funds to compete unfairly with private companies that provide equivalent products or services. Single organizations, institutions, and individuals are encouraged to participate as project partners.

The following are some examples of acceptable and unacceptable projects:

Examples of Acceptable Projects

- The State requests funding to contract with a university to conduct research on the feasibility of planting, cultivating, and growing a specialty crop in a particular area, the results of which will be shared with many growers throughout the State during the project.
- A producer group requests funds to demonstrate the viability of organic small fruit production and partners with Cooperative Extension to publicize the working model of diversification to other regional growers.
- A single non-profit organization requests funds to conduct an advertising campaign that will benefit their specialty crop members.

Examples of Unacceptable Projects

- A company requests grant funds to purchase starter plants or equipment used to plant, cultivate, and grow a specialty crop to make a profit, or to expand production of a single business or organization.
- The State requests grant funds to make grants to individual specialty crop businesses or roadside stands to promote their individual business.
- A sole proprietor requests grant funds to redesign her/his logo in order to make her/his specialty crop value-added product stand out at the local farmers' market.
- A single non-profit organization requests funds to promote their organization's website rather than promoting specialty crops.
- A single specialty crop organization requests grant funds to market its organization so that it can increase membership in the organization.

3.4 COST-SHARING AND MATCHING

This grant program encourages, but does not require cost-sharing or matching funds.

3.5 PERFORMANCE MEASURES

AMS is required to report on the outcomes of the SCBGP on a national scale to demonstrate the performance of this program. In 2021 AMS, in conjunction with the State departments of agriculture, completed a year-long evaluation to assess its current performance measures. As a result of this assessment, the performance measures for FY22 forward have been updated to focus on:

- Providing short- and long-term impact indicators.
- More accurately reflecting grant recipients' accomplishments.
- Reducing burden on grant applicants and recipients.
- Improving AMS' ability to report on the impact of its grant programs.
- Standardizing measures across programs where appropriate.

Additional information regarding the update to the performance measures can be found on the [AMS Grant Performance Measures](#) website. By collecting, aggregating, and reporting performance data across all States and Territories, AMS can share the impact of the SCBGP with all stakeholders, including OMB, U.S. Congress, the agricultural community, and the public.

Each project submitted in the State Plan **must** include at least one of the seven outcomes listed in the SCBGP Performance Measures and at least one of the indicators listed in the selected outcome(s). The progress of the one or more outcomes and indicators selected will need to be reported in the Annual Performance Report, and the results will be reported in the Final Performance Report. Please refer to the SCBGP Performance Measures for more information. The project narrative templates covered in section **4.3.34 State Plan Narrative** have been updated to reflect the new performance measures.

3.6 SUPPLANTING

Funds must supplement the expenditure of an organization's funds in support of specialty crops grown in Virginia, rather than replace funds. Additionally, Federal funding may not replace State funding that is required under section 101(d)(3) of the Specialty Crops Competitiveness Act of 2004 (7 U.S.C. § 1621 note). In instances where a question of supplanting arises, the applicant or recipient will be required to substantiate that the reduction in non-Federal resources occurred for reasons other than the receipt or expected receipt of Federal funds.

4.0 APPLICATION AND SUBMISSION INFORMATION

4.1 OBTAINING AN APPLICATION PACKAGE

VDACS will post the Application Package on the SCBGP website:

<http://www.vdacs.virginia.gov/sales-specialty-crop-competitive-grant-program.shtml>

Alternatively, contact Melissa Ball:

Melissa.ball@vdacs.virginia.gov, 804-786-5448

4.2 CONTENT AND FORM OF APPLICATION SUBMISSION

Entities interested in submitting an application for the SCBGP must submit the following components:

4.2.1 ACCOUNTING SYSTEM AND FINANCIAL CAPABILITY QUESTIONNAIRE (REQUIRED)

This form may be submitted as a PDF and must accompany the narrative and letters of support.

4.2.2 NARRATIVE / SEE PROJECT PROFILE TEMPLATE (REQUIRED)

This template and description of requirements is available on the VDACS SCBGP website: <https://www.vdacs.virginia.gov/sales-specialty-crop-competitive-grant-program.shtml>. Be sure to use the most current template.

4.3 SUBMISSION DATE AND TIME

Applicants must submit applications in MS Word (PDFs are not acceptable) to Melissa.ball@vdacs.virginia.gov by 5:00 p.m. Eastern Time on March 21, 2022. VDACS will not consider applications received after this deadline for funding. All attachments (application, letters of support and accounting questionnaire) must be included in one email. It is recommended that applicants submit their application well before the deadline.

4.4 FUNDING RESTRICTIONS

4.4.1 ALLOWABLE AND UNALLOWABLE COSTS AND ACTIVITIES

The following table summarizes allowable and unallowable costs in common categories of SCBGP project budgets. This section is not intended to be all-inclusive. Reference [Subpart E-Cost Principles of 2 CFR part 200](#) for a complete explanation of the allowability of costs. If you have questions concerning the allowability of costs after reviewing this section, contact your VDACS representative.

Item	Description
Alcoholic Beverages	<i>Unallowable</i> for alcoholic beverages unless the cost is associated with fulfilling the purpose of the grant program, and either approved in the application or with prior written approval.
Buildings and Land - Construction	<i>Unallowable</i> for the acquisition of buildings, facilities, or land or to make additions, improvements, modifications, replacements, rearrangements, reinstallations, renovations or alterations of an existing building or facility (including site grading and improvement, and architecture fees). This also includes construction and construction-related materials, which may include, but are not limited to the purchase of building materials such as wood, nails, concrete, asphalt, roofing, gravel, sand, paint, insulation, drywall, or plumbing. <i>Allowable</i> for rental costs of land and building space. However, lease agreements to own (i.e., lease-to-own or rent-to-own) are not allowable. The lease or rental agreement must terminate at the end of the grant cycle. A building is any permanent structure designed or intended for support, enclosure, shelter or protection of people, animals or property, and having a permanent roof supported by columns or walls.

Conferences	<i>Allowable</i> if the conference is a part of a larger project to fulfill the purpose of a grant program's legislated purpose. Allowable conference costs paid by the non-Federal recipient as a sponsor or host of the conference may include rental of facilities, speakers' fees, costs of meals (see Meals for restrictions), and refreshments, local transportation, and other items incidental to such conferences with the exception of entertainment costs that are unallowable. If registration fees are collected, the recipient must report fees as program income (See Program Income). <i>Allowable</i> to rent a building or room for training; however, where appropriate, AMS encourages the use of technologies such as webinars, teleconferencing, or videoconferencing as an alternative to renting a building or a room. The recipient should use the most cost-effective facilities, such as State government conference rooms, if renting a building or a room is necessary.
Contingency Provisions	<i>Unallowable</i> for miscellaneous and similar rainy-day funds for events the occurrence of which cannot be foretold with certainty as to the time or intensity, or with an assurance of their happening. Unallowable for working capital for activities/items not already in place.
Contractual Consultant Costs (Professional Services)	<i>Allowable</i> subject to limitations below. Contractual/consultant costs are expenses associated with purchasing goods and/or procuring services performed by an individual or organization other than the recipient in the form of a procurement relationship. <i>Allowable</i> for contractor/consultant employee rates that do not exceed the salary of a GS-15 step 10 Federal employee in the area (for more information, visit the OPM website). This does not include fringe benefits, travel, indirect costs, or other expenses. Please note that any statutory limitations on indirect costs also apply to contractors and consultants. If rates exceed this amount, the recipient is required to justify the allowability of the cost aligning with 2 CFR §§ 200.317-326.
Contributions, Donations, Sponsorships and	<i>Unallowable</i> for contributions or donations, including cash, property, and services, from the recipient or subrecipient to other entities. A non-profit entity using grant funds to purchase produce to donate to other entities and individuals is unallowable.
Electronic Transfer Machines Benefit (EBT)	<i>Unallowable</i> for the purchase/lease of Supplemental Nutrition Assistance Program (SNAP) EBT equipment.
Entertainment	<i>Unallowable.</i> Entertainment costs include amusement, diversion, and social activities and any costs directly associated with such costs (such as bands, orchestras, dance groups, tickets to shows, meals, lodging, rentals, transportation, and gratuities).
Equipment, Buildings, and Land	<i>Unallowable</i> for acquisition costs of general purpose equipment or lease agreements to own (i.e., lease-to-own or rent-to-own).

	<i>Allowable</i> for rental costs of general purpose equipment. Vehicles may be leased, but not purchased. The lease or rental agreement must terminate at the end of the grant cycle. For vehicle and equipment leases or rentals with an acquisition cost that equals or exceeds \$5,000, rates should be in light of such factors as: rental costs of comparable vehicles and equipment, if any; market conditions in the area; alternatives available; and the type, life expectancy, condition, and value of the vehicle or equipment leased. <i>Allowable</i> for acquisition costs and rental costs of special purpose equipment provided the following criteria is met: 1) Necessary for the research, scientific, or other technical activities of the grant award; 2) Not otherwise reasonably available and accessible; 3) The type of equipment is normally charged as a direct cost by the organization; 4) Acquired in accordance with organizational practices; 5) Must be used solely to meet the legislative purpose of the grant program and objectives of the grant award; 6) More than one single commercial organization, commercial product, or individual must benefit from the use of the equipment; 7) Must not use special purpose equipment acquired with grant funds to provide services for a fee to compete unfairly with private companies that provide equivalent services; and 8) Equipment is subject to the full range of acquisition, use, management, and disposition requirements under 2 CFR § 200.313 as applicable. <u>Definitions</u> Equipment is defined as tangible personal property (including information technology systems) having a useful life of more than one year and a per-unit acquisition cost that equals or exceeds the lesser of the capitalization level established by the non-Federal entity for financial statement purposes, or \$5,000. Acquisition cost means the cost of the asset including the cost to prepare the asset for its intended use. Acquisition cost for equipment is the net invoice price of the equipment, including the cost of any modifications, attachments, accessories, or auxiliary apparatus necessary to make it usable for its acquired purpose. General Purpose Equipment means equipment that is not limited to technical activities. Examples include office equipment and furnishings, modular offices, telephone networks, information technology equipment and systems, air conditioning equipment, reproduction and printing equipment, and motor vehicles. Special Purpose Equipment is equipment used only for research, scientific, or technical activities.
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Equipment Information Technology Systems	– <i>Unallowable</i> for information technology systems having a useful life of more than one year and a per-unit acquisition cost that equals or exceeds the lesser of the capitalization level established in accordance with GAAP by the recipient for financial statement purposes or \$5,000. Acquisition costs for software includes those development costs capitalized in accordance with GAAP. Information technology systems include computing devices, ancillary equipment, software, firmware, and similar procedures, services (including support services), and related resources. Computing devices means machines used to acquire, store, analyze, process, and publish data and other information electronically, including accessories (or “peripherals”) for printing, transmitting and receiving, or storing electronic information. Examples of unallowable information technology systems include service contracts, operating systems, printers, and computers that have an acquisition cost of \$5,000 or more. <i>Allowable</i> for website development, mobile apps, etc., that are not considered to be information technology systems, but rather social media applications.
Farm, Gardening, and Production Activities and Supplies	<i>Unallowable</i> for farm, gardening, and production activities, materials, supplies, and other related costs including but not limited to soil, seeds, shovels, gardening tools, greenhouses, and hoop houses. <i>Allowable</i> where the specific cost is considered to meet the requirements of the sponsored program and are authorized in the approved budget or with prior written approval.
Fines, Penalties, Damages and Other Settlements	<i>Unallowable</i> for costs resulting from violations of, alleged violations of, or failure to comply with, Federal, state, tribal, local or foreign laws and regulations.
Fixed Amount Sub award	<i>Unallowable</i> for costs related to fixed amounts sub awards.
Fundraising and Investment Management Costs	<i>Unallowable</i> for organized fundraising, including financial campaigns, solicitation of gifts and bequests, and similar expenses incurred to raise capital or obtain contributions, regardless of the purpose for which the funds will be used. This includes salaries of personnel involved in activities to raise capital.

General Costs of Government	<i>Unallowable</i> for: 1) Salaries and expenses of the Office of the Governor of a State or the chief executive of a local government or the chief executive of an Indian tribe; 2) Salaries and other expenses of a State legislature, tribal council, or similar local governmental body, such as a county supervisor, city council, school board, etc., whether incurred for purposes of legislation or executive direction; 3) Costs of the judicial branch of a government; 4) Costs of prosecutorial activities unless treated as a direct cost to a specific program if authorized by statute or regulation (however, this does not preclude the allowability of other legal activities of the Attorney General as described in 2 CFR § 200.435 Defense and prosecution of criminal and civil proceedings, claims, appeals and patent infringements); and 5) Costs of other general types of government services normally provided to the general public, such as fire and police, unless provided for as a direct cost under a program statute or regulation.
Goods or Services for Personal Use	<i>Unallowable</i> for costs of goods or services for personal use of the recipient's or subrecipient's employees regardless of whether the cost is reported as taxable income to the employees.
Indirect Costs - Unrecovered	<i>Unallowable.</i>
Insurance and Indemnification	<i>Unallowable.</i>
Lobbying	<i>Unallowable</i> as defined in 2 CFR §200.450
Meals	<i>Unallowable</i> for business meals when individuals decide to go to lunch or dinner together when no need exists for continuity of a meeting. Such activity is considered an entertainment cost. <i>Unallowable</i> for breakfasts for conference attendees. It is expected attendees will have adequate time to obtain this meal on their own before the conference begins. <i>Unallowable</i> for meal costs that are duplicated in a meeting participant's per diem or subsistence allowances. <i>Allowable</i> for lunch or dinner meals if the costs are reasonable and a justification is provided that

	such activity maintains the continuity of the meeting and to do otherwise will impose arduous conditions on the meeting participants. <i>Allowable</i> for meals consumed while in official travel status. They are considered per diem expenses and should be reimbursed in accordance with GSA travel policies.
Memberships, Subscriptions, and Professional Activity Costs	<i>Unallowable</i> for costs of membership in any civic or community organization. <i>Allowable</i> for costs of membership in business, technical, and professional organizations when provided in the approved budget or with prior written approval.
Organization Costs	<i>Unallowable</i> for costs of investment counsel and staff and similar expenses incurred to enhance income from investments.
Participant Support Costs	<i>Allowable</i> when provided in the approved budget or with prior written approval for such items as registration fees paid to or on behalf of participants or trainees (but not employees) in connection with approved conferences, training projects, surveys, and focus groups
Political Activities	<i>Unallowable</i> for development or participation in political activities in accordance with provisions of the Hatch Act (5 U.S.C. 1501-1508 and 7324-7326).
Pre-Award Costs	<i>Unallowable</i>
Printing and Publications	<i>Allowable</i> to pay the cost of preparing informational leaflets, reports, manuals, and publications relating to the project; however, the printing of hard copies is discouraged given the prevalence of electronic/virtual publication means.
Rearrangement and Reconversion Costs	<i>Unallowable</i> as indirect costs incurred for ordinary and normal rearrangement and alteration of facilities.
Salaries and Wages	<i>Allowable</i> as part of employee compensation for personnel services in proportion to the amount of time or effort an employee devotes to the grant project during the grant period under the Federal award, including salaries, wages, and fringe benefits. Such costs must be incurred under formally established policies of the organization, be consistently applied, be reasonable for the services rendered, and be supported with adequate documentation. Salary and wage amounts charged to grant projects for personal services must be based on an adequate payroll distribution system that documents such distribution in accordance with generally accepted practices of like organizations. Standards for

	payroll distribution systems are contained in the applicable cost principles (other than those for for-profit organizations). <i>Unallowable</i> for salaries, wages and fringe benefits for project staff that devote time and effort to activities that do not meet the legislated purpose of the grant program <i>Unallowable</i> for administrative, severance or termination or other overhead costs. <i>Unallowable</i> for tuition.
Selling and Marketing Costs – Promotion of an Organization’s Image, Logo, or Brand Name	<i>Unallowable</i> for costs designed solely to promote the image of an organization, general logo, or general brand. • Promotional items could say “Buy Virginia Grown Apples” but not “XYZ Grown”, which promotes XYZ generically. • A promotional campaign to increase producer sales of “STATE/COUNTY Grown fruits and vegetables” is acceptable while increasing membership in “STATE/COUNTY Grown” generally is not.
Selling and Marketing Costs – Promotion of Venues that do not Align with Grant Program Purpose	<i>Unallowable</i> for costs for promotion of specific venues, tradeshow, events, meetings, programs, conventions, symposia, seminars, etc. that do not align with the legislated purpose of the grant program.
Selling and Marketing Costs – Promotional Items, Gifts, Prizes, etc.	<i>Unallowable</i> for promotional items, swag, gifts, prizes, memorabilia, and souvenirs. <i>Allowable with conditions</i> to meet the requirements of the sponsored agreement, in the approved application or with prior approval for marketing activities directly related to the funded project. Promotional items include point-of-sale materials, promotional kits, signs or streamers, automobile stickers, table tents, and place mats, or promotional items of a personal nature (e.g. t-shirt, hats, etc.).
Selling and Marketing Costs – Coupons, Incentives or Other Price Discounts	<i>Unallowable</i> for costs of the value of coupon/incentive redemptions or price discounts (e.g., the \$5.00 value for a \$5.00 clip-out coupon). <i>Allowable</i> for costs associated with printing, distribution, or promotion of coupons/tokens or price discounts (e.g., a print advertisement that contains a clip-out coupon) as long as they benefit more than a single program or organization.

Selling and Marketing Costs – Food for Displays, Tastings, Cooking Demonstrations	<i>Unallowable</i> for purchasing food for displays, tasting, and cooking demonstrations except for projects that have a programmatic purpose and are authorized either in the approved application or with prior written approval. <i>Allowable</i> where the specific cost is considered to meet the programmatic purpose of the sponsored program and is authorized in the approved budget or with prior written approval.
Selling and Marketing Costs – General Marketing Costs	<i>Unallowable</i> for costs designed solely to promote the image of an organization, general logo, or general brand. <i>Allowable</i> for costs designed to promote products that align with the purpose of the grant program
Selling and Marketing Costs – Sponsorships	<i>Unallowable</i> for costs associated with sponsorships. A sponsorship is a form of advertising in which an organization uses grant funds to have its name and/or logo associated with certain events and where the organization does not necessarily know how the funds associated with sponsorship costs will be used. These costs also benefit only the organization offering funding, limiting the beneficiaries to the sponsor organization.
Selling and Marketing Costs – Use of Meeting Rooms, Space, Exhibits that do not Align with Grant Program Purpose	<i>Unallowable</i> for costs associated with trade show attendance/displays, meeting room reservations, and/or any other displays, demonstrations, exhibits, or rental of space unless the activities specifically align with the purpose of the grant program. See Conferences for more information.
Supplies and Materials, Including Costs of Computing Devices	<i>Allowable</i> for costs incurred for materials, supplies, and fabricated parts necessary to carry out a Federal award. Purchased materials and supplies must be charged at their actual prices, net of applicable credits. Withdrawals from general stores or stockrooms should be charged at their actual net cost under any recognized method of pricing inventory withdrawals, consistently applied. Incoming transportation charges are a proper part of materials and supplies costs. Only materials and supplies actually used for the performance of a Federal award may be charged as direct costs. A computing device is a supply if the acquisition cost is less than the lesser of the capitalization level established by the recipient for financial statement purposes or \$5,000, regardless of the length of its useful life. In the specific case of computing devices, charging as direct cost is allowable for devices that are essential and allocable, but not solely dedicated, to the performance of a Federal award. Where Federally-donated or furnished materials are used in performing the Federal award, such materials will be used without charge.
Training	<i>Allowable</i> when the training is required to meet the objectives of the project or program.

Travel – Domestic and Foreign	<i>Allowable</i> for travel, with prior approval and when costs are limited to those allowed by formal organizational policy and the purpose aligns with the legislated purpose of the program. The allowable travel cost may not exceed those established by the Federal Travel Regulation, issued by General Services Administration (GSA), including the maximum per diem and subsistence rates prescribed in those regulations.
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5.0 APPLICATION REVIEW INFORMATION

VDACS will review grant applications to ensure the plan meets the statutory purpose of the program, all application criteria are fulfilled in accordance with [4.0 Application and Submission Information](#), and that costs are allowable. VDACS will also assess an organization's ability to account for the use of Federal funds and monitor the performance associated with these monies using the guidance provide by 2 CFR 3200.206

VDACS will notify the applicant on matters involving this application if additional information is required after the initial review of the application. Failure to provide requested information in a timely manner may result in a project not receiving funding.

The individual listed on the cover page of the application is responsible for adequately addressing all application comments and questions from VDACS prior to sending a revised application. This will help facilitate the approval of the application and reduce the number of revisions.

6.0 AWARD ADMINISTRATION INFORMATION

6.1 AWARD NOTICES

Once VDACS receives a signed grant agreement with USDA, VDACS will provide all applicants with a formal notification letter. The successful applicants will receive a Memorandum of Understanding (MOU) that sets forth pertinent information about the grant, including, but not limited to, the following:

- MOU / Reference Number;
- Statutory authority for the award and any applicable program regulations;
- Name of recipient organization;
- Name of the Recipient Project Coordinator;
- Approved period of performance start and end dates;
- Amount of funds authorized for obligation by the recipient;
- Name of the State Agency Project Manager; and
- Applicable terms and conditions of award, by either reference or inclusion
- Reimbursement schedule (a quarterly minimum)

Projects do not have to be initiated on the grant effective date, but should be initiated as soon thereafter as practical so that project goals may be achieved within the funded project period.

6.2 ADMINISTRATIVE AND NATIONAL POLICY REQUIREMENTS

6.2.1 USDA ADMINISTRATIVE REQUIREMENTS

All grant recipients must abide by the [AMS General Terms and Conditions](#), which reference applicable Administrative and National Policy Requirements.

Awards issued under this announcement are subject to the *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* of [2 CFR part 200](#) as implemented by the USDA under [2 CFR part 400](#) and the most recent AMS General Terms and Conditions. An application funded with the release of Federal funds through a grant award does not constitute, or imply, compliance with Federal regulations. Grant recipients and subrecipients are responsible for ensuring that their activities comply with all applicable Federal regulations.

6.2.2 SYSTEM FOR AWARD MANAGEMENT

The System for Award Management (SAM) has replaced the Central Contractor Registration (CCR) as the central government repository for organizations working with the Federal government. To receive an award under the SCBGP, applicants are required to register with SAM and, in doing so, to designate an e-Business Point of Contact (e-Business POC). SAM registration must be updated annually and be active and maintained with current information at all times during which the State department of agriculture has an active award or an application under consideration.

The e-Business POC authorizes individuals to submit grant and cooperative agreement applications on behalf of the organization and creates a special password called a Marketing Partner ID Number (M-PIN) to verify individuals authorized to submit grant applications for the organization.

Organizations that need to register in SAM for the first time or need to update their SAM registration will visit <https://www.sam.gov/>. Questions about SAM may be directed to askSAM@gsa.gov.

6.2.3 UNIQUE ENTITY IDENTIFIER (UEI) REPLACES THE DUNS NUMBER

Entities doing business with the Federal Government will require a UEI number created in SAM.gov. The DUNS number will no longer be used. Entities that are already registered in SAM.gov already have a UEI assigned to them. Log into SAM.gov to obtain your number. Entities that need to register in SAM and obtain a UEI can refer to the [Guide to Getting a Unique Entity ID](#) and click the link in the [fsd.gov](#) page.

The GSA link for your reference of the changes is: <https://www.gsa.gov/about-us/organization/federal-acquisition-service/office-of-systems-management/integrated-award-environment-iae/iae-systems-information-kit/unique-entity-identifier-update>

6.2.4 DEBARMENT AND SUSPENSION

Regulations published in [2 CFR part 180](#), as adopted and supplemented by USDA at [2 CFR part 417](#) describe the government-wide debarment and suspension requirements for non-procurement programs and activities. “Non-procurement” transactions include, among other things, grant agreements. VDACS implements these regulations as a term and condition of award.

6.2.5 DELINQUENCY ON FEDERAL DEBT

Any organization or individual that is indebted to the United States, and has a judgment lien filed against it for a debt to the United States, is ineligible to receive a Federal grant. Anyone who has been judged to be in default on a Federal debt and who has had a judgment lien filed against him or her should not be listed as a participant in an application for a SCBGP grant until the judgment is paid in full or is otherwise satisfied. No funds may be rebudgeted following an award to pay such an individual. The Federal Agency will disallow costs charged to awards that provide funds to individuals in violation of this requirement.

6.3 ACCEPTANCE OF AN AWARD

A signature by an authorized representative of the successful applicant organization on the MOU constitutes acceptance of an award and its associated terms and conditions. VDACS must receive the original signed MOU. If

a recipient cannot accept the award, including the legal obligation to perform in accordance with award terms and conditions, the recipient should notify the State Agency Project Manager immediately upon receipt of the MOU. Once the recipient accepts the award, the contents of the MOU are binding on the recipient.

6.4 REPORTING

Grant recipients are required to submit annual performance reports on the following schedule:

Progress Report:	10/1/2022 – 9/29/2023	Due October 30, 2023
Final Report:	10/1/2022 – 9/29/2024	Due October 30, 2024

7.0 AGENCY CONTACTS

Applicants and other interested parties are encouraged to contact:

7.1 SCBGP PROJECT MANAGER

Ms. Melissa Ball

Phone: (804) 786-5448
Email: melissa.ball@vdacs.virginia.gov

7.2 ADDRESS

Specialty Crop Block Grant Program
Virginia Department of Agriculture & Consumer Services
Division of Marketing
102 Governor Street #315
Richmond, Virginia 23219

8.0 OTHER INFORMATION

8.1 EQUAL OPPORTUNITY STATEMENT

USDA is an equal opportunity provider, employer, and lender.

8.2 FREEDOM OF INFORMATION ACT REQUESTS

The Freedom of Information Act (FOIA) of 1966 ([5 U.S.C. § 552](#)) and the Privacy Act of 1974 ([5 U.S.C. § 552a](#)), as implemented by USDA's regulations ([7 CFR § 1, Subpart A](#)), govern the release or withholding of information to the public in connection with this Federal award. The release of information under these laws and regulations applies only to records held by AMS and imposes no requirement on the recipient or any subrecipient to permit or deny public access to their records.

FOIA requests for records relating to this Federal award may be directed to USDA, Agricultural Marketing Service, FOIA/PA Officer, Room 3943-S, Mail Stop 0202, 1400 Independence Ave., SW, Washington, DC 20250-0273, Telephone: (202) 720-2498; or email: AMS.FOIA@usda.gov.
USDA is an equal opportunity provider, employer, and lender.

8.3 PAPERWORK REDUCTION

According to the Paperwork Reduction Act of 1995 ([44 U.S.C. §§ 3501–3521](#)), an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0581-0240. The time required to complete this information collection is estimated to average 4 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.