



Vermont Specialty Crop Block Grant Program

FISCAL YEAR 2016 REQUEST FOR PROPOSALS

The Vermont Agency of Agriculture, Food & Markets announces the availability of grant funds for the purpose of enhancing the competitiveness of Vermont specialty crops including fruits, vegetables, tree nuts, horticulture and nursery crops. These funds are awarded through a competitive review process guided by industry, nonprofit and government stakeholders.

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I. Program Overview

Quick Facts

Program Goal

The goal of the Specialty Crop Block Grant Program (SCBGP) is to solely enhance the competitiveness of specialty crops, defined as fruits, vegetables, tree nuts, dried fruits, horticulture (including honey, hops, and maple syrup), and nursery crops (including Christmas trees and floriculture).

Eligibility

Any entity may apply, but projects must benefit more than one individual, business or organization.

Available Funds

The Vermont Agency of Agriculture will award approximately \$200,000 in SCBGP funds in 2016.

Maximum Award

There is no minimum or maximum award, but successful proposals are often awarded \$10,000–\$30,000 per project year.

Project Length

Projects can be funded for up to 3 years, or 36 months.

Funding Source

Vermont SCBGP awards are funded through USDA's Agricultural Marketing Service.

New in 2016

Information Session

- Please register for Vermont Specialty Crop Block Grant Program Information Session Webinar on Feb 11, 2016 3:00 PM EST at: <https://attendee.gotowebinar.com/register/3827558677741314049>.
- In this webinar, you will gain an introduction to the Vermont Specialty Crop Block Grant Program (SCBGP), the 2016 application process—including new USDA standards for outcome measures—and our agency's new online grants management system, WebGrants.
- After registering, you will receive a confirmation email with details about joining the webinar.
- The webinar will be recorded and made available on the Vermont SCBGP webpage at <http://go.usa.gov/3JGBG> (case sensitive URL).
- If you prefer to attend in person at the Vermont Agency of Agriculture, please RSVP to Kristina Sweet at kristina.sweet@vermont.gov. Due to building restrictions, all visitors to the Agency of Agriculture must register in advance.

WebGrants

In 2016, all Vermont Specialty Crop Block Grant Program (SCBGP) letters of intent (LOI) and applications must be submitted through the Vermont Agency of Agriculture, Food & Markets' new online grants management system, WebGrants. WebGrants may be accessed at <https://agriculturegrants.vermont.gov>.

Find additional guidance for working with WebGrants in **Appendix A** and on our SCBGP webpage at <http://go.usa.gov/3JGBG> (case sensitive URL).

Expected Measurable Outcomes

USDA's Agricultural Marketing Service (AMS) is required to report on the outcomes of the SCBGP at a national scale to demonstrate the performance of this program. By collecting, aggregating, and reporting performance data across all states and territories, AMS can share the impact of the SCBGP with all stakeholders, including the Office of Management and Budget (OMB), Congress, the agricultural community, and the general public.

- Each funded project must include at least one of eight specified outcomes listed in **Appendix B: USDA Evaluation Plan**, and at least one of the indicators listed underneath the selected outcome(s). If there are multiple sub-indicators under the selected indicator, select at least one.
- If the indicator(s) below the selected outcome(s) are not relevant to a project, a project-specific indicator(s) may be developed which will be subject to approval by AMS.
- The progress of each indicator must be reported in the Annual Performance Report and the result in the Final Performance Report.
- AMS will aggregate the data collected to assess the overall impact of the program and report to OMB and Congress on these national outcome measures.

- AMS will review the quality of the information received in subsequent performance reports and modify the outcomes and indicators as needed over time to lead to better results in showing the impact of the SCBGP.

Funding Opportunity Description

The U.S. Department of Agriculture's Agricultural Marketing Service (AMS) awards Specialty Crop Block Grants to the 50 States, the District of Columbia, and U.S. Territories. In Vermont, the Agency of Agriculture, Food & Markets (VAAFAM) administers these funds to enhance the competitiveness of Vermont specialty crops. VAAFAM plans to award approximately \$200,000 in Specialty Crop Block Grant Program (SCBGP) funds in 2016.

The purpose of the Specialty Crop Block Grant Program is "to solely enhance the competitiveness of specialty crops." Specialty crops are defined as "fruits, vegetables, tree nuts, dried fruits, horticulture, and nursery crops, including floriculture."¹ AMS encourages projects that enhance the competitiveness of specialty crops, sustain farmers' livelihoods, and strengthen local economies. Visit <https://www.ams.usda.gov/scbgp> for more details on the SCBGP, and review **Appendix D** for examples of previously funded projects in Vermont.

Application Review & Award Information

Vermont SCBGP funds will be awarded to projects that benefit the specialty crop industry through a competitive review process. A committee of at least five produce industry stakeholders, including a minimum of two farmers, will review all applications and make recommendations to VAAFAM. VAAFAM will make final recommendations to USDA-AMS on all awards.

Multi-year projects are encouraged, and grants may be awarded for projects up to three years in length. Although awards are not capped, during previous grant rounds successful proposals have generally been awarded between \$10,000 and \$30,000 per project year. In addition, grants must follow USDA guidelines for allowable costs. Review **Appendix C** or download the SCBGP General Award Terms and Conditions at <http://1.usa.gov/1Wv82Nd> for further detail.

Eligibility

- Any entity may apply, provided that the proposed project benefits the specialty crop industry and aligns with program requirements, including funding restrictions.
- Projects must solely enhance the competitiveness of U.S. or U.S. territory-grown specialty crops in either domestic or foreign markets. Visit <https://www.ams.usda.gov/services/grants/scbgp/specialty-crop> for a list of eligible specialty crops and ineligible commodities.

¹ AMS maintains a detailed definition of specialty crops on its website at <http://1.usa.gov/1h0clj8>.

- Each project must identify at least one expected measurable outcome that specifically demonstrates the project's impact in solely enhancing the competitiveness of eligible specialty crops.
- We encourage applications that prioritize and further expand funding to projects that are supported by and address the needs of Vermont specialty crop growers.
- Applications should describe how the project potentially affects and produces measurable outcomes for the specialty crop industry and/or the public rather than a single business, organization, or individual. AMS will not fund projects that solely benefit a particular commercial product or provide a profit to a single business, organization, or individual. Single businesses, organizations, or individuals are encouraged to participate as project partners.
- We will not award funds to an entity to compete unfairly with private companies that provide equivalent products or services or fund projects where one organization attempts to disparage the mission, goals, and/or actions of another organization.
- If matching funds will serve as a mechanism to ensure all grant funds will solely enhance the competitiveness of eligible specialty crops, the recipient must keep adequate records to identify and document the specific costs or contributions proposed to meet the match or cost-share and the source of funding or contributions as well as document how the valuation was determined.
- Applicants with previous participation that have incomplete or unsatisfactory performance may be ruled ineligible for participation at the sole discretion of VAAF.
- Preference will be given to projects that have not received Specialty Crop Block Grant Program funding in the past, but applications that build on a previously funded SCBGP project may be submitted. In such cases, the application should clearly indicate how the project complements previous work. A follow-up proposal is allowed only after (1) the original SCBGP project has been completed and (2) the final report has been submitted to and accepted by USDA. A follow-up proposal to an in-progress SCBGP project is not allowed.
- Multi-state projects that address challenges and opportunities that cross state boundaries are eligible.

Project Examples

Your application should demonstrate how the proposed project will impact and produce measurable outcomes for the specialty crop industry—rather than a single business, organization, or individual. The following are examples of acceptable and unacceptable projects:

Examples of Unacceptable Projects

- A company requests funds to purchase equipment used to plant, cultivate, and grow a specialty crop for the purpose of making a profit or to expand production within a single business.
- A farm requests funds to market its roadside stand or another aspect of its individual business.
- A single specialty crop organization requests funds to promote its organization.

Examples of Acceptable Projects

- A producer group or university research group requests funds to conduct research on the feasibility of planting, cultivating, and growing a specialty crop in a particular area, the results of which can be shared with growers throughout the state.
- A grower requests funds to establish a new cooperative that will help other specialty crop producers diversify their operations and meet market demand.
- An organization requests funds to promote Vermont specialty crops to new markets, and access to these markets will benefit a variety of specialty crop producers.

State Funding Priorities

The Vermont Agency of Agriculture, in partnership with statewide specialty crop stakeholders, has identified the following program funding priorities for 2016. **Funding priorities are *not* ranked.**

Funding Priorities

- Development of innovative horticultural production practices and efficiencies to positively impact farm viability and/or conservation
- Pest and disease management
- Food safety—including the handling, preparation, transport, and storage of specialty crops in ways that reduce foodborne illness
- Value chain enhancement—including strengthening relationships between individuals, businesses, and organizations that build specialty crop value from production to consumption
- Market access (local, regional, national, or international), marketing, branding, and consumer education
- Organizational development—including strengthening producer associations and cooperative development

VAAFAM strongly encourages projects proposing **innovative partnerships** that will develop new knowledge to strengthen specialty crop producers' operations.

VAAFAM also encourages projects that address one or more **goals and indicators for strengthening Vermont's food system** identified in the *Farm to Plate Strategic Plan* (published by the Vermont Farm to Plate Network and the Vermont Sustainable Jobs Fund). Find these goals at

<http://www.vtfarmtoplate.com/getting-to-2020>.

Matching Funds

All proposals must show matching funds representing 50% of the grant request. For instance, for a grant request of \$10,000, the applicant must demonstrate at least \$5,000 in match. This 50% match may be a combination of cash and in-kind funds. Under limited circumstances, match requirements may be reduced or waived for projects that can justify the need for a reduced match. Waiver requests must outline the impact of the project and indicate any special circumstances that justify this consideration.

Matching funds may be used to ensure all SCBGP funds will solely enhance the competitiveness of specialty crops. If your project may benefit non-specialty crop industries (e.g., grain, livestock, or dairy), you must document how you have determined how the specific costs or contributions proposed to meet the match will cover the appropriate percentage of non-specialty crop industries.

For example, a project promotes Vermont-grown specialty crops through marketing agritourism opportunities. Non-specialty crop farms account for 40% of the farms participating in the agritourism program; therefore a 50% match will be adequate to account for any benefit the non-specialty crops farms could gain from the proposed project.

Deadlines

All applicants must submit a **letter of intent (LOI)** to VAAFM by **March 11, 2016**. Please review **Section IV: Scoring Criteria**, carefully to ensure that your application addresses the areas that will be evaluated by the review committee. Instructions for submitting your LOI are provided below. Projects with the highest ranking LOI scores will be asked to submit full proposals. For those that have been invited to apply, the deadline to submit full proposals will be **May 6, 2016**.

Key Dates

February 1, 2016	Request for Proposals (RFP) Released
February 11, 2016 3:00 PM	SCBGP Info Session (Meeting/Webinar) Register at https://attendee.gotowebinar.com/register/3827558677741314049 or RSVP to kristina.sweet@vermont.gov to attend in person.
March 11, 2016	Deadline to a submit letter of intent (LOI)
April 8, 2016	LOI applicants notified of invitation to submit a full application
May 6, 2016	Deadline to submit a full application

June 10, 2016	Applicants notified of funding decisions
July 8, 2016	Vermont Agency of Agriculture submits state plan to USDA-AMS
August 2016	Grantees notified of AMS decisions—some adjustments to projects may be required
October 2016	USDA announces final awards

Related Funded Opportunities

Specialty Crop Multi-State Program

The [Specialty Crop Multi-State Program](#) (SCMP) provides funds to enhance the competitiveness of specialty crops through collaborative, multi-state projects that address regional or national-level specialty crop issues including food safety; plant pests and disease; research; crop-specific issues; and marketing and promotion. Projects must demonstrate measurable benefits to more than one business, organization or individual, and project partners must be based in more than one state. We expect AMS to announce the next SCMP Request for Applications in the summer or fall of 2016. Learn more about the SCMP at <http://go.usa.gov/ckFXR> (case sensitive URL).

Farmers Market and Local Food Promotion Program

Projects in support of farmers markets, farm stands, community supported agriculture (CSA) programs, and other direct marketing opportunities should consider submitting those projects to the Farmers Market Promotion Program at <http://www.ams.usda.gov/fmpp> or Local Food Promotion Program at <http://www.ams.usda.gov/lfpp>.

Working Lands Enterprise Fund

Working Lands grants fund agriculture and forestry projects that enhance Vermont's communities, economy, and culture. More information is available at <http://workinglands.vermont.gov/>.

Additional Funding Opportunities & Resources for Businesses

As part of our ongoing effort to provide relevant and useful tools and resources to Vermont farmers, producers, and agricultural businesses, VAAFAM has developed an extensive menu of funding opportunities and financial resources, as well as additional business resources available to the Vermont agricultural community. Find these resources at http://agriculture.vermont.gov/producer_partner_resources/funding_opportunities.

II. Letter of Intent

Your letter of intent (LOI) must be submitted online at <https://agriculturegrants.vermont.gov> by Friday, March 11, 2016 at 4:30 PM.

The LOI provides a summary of your project idea. To prepare your LOI, follow these instructions:

- 1) Review this document— *Vermont SCBGP FY 2016 Request for Proposals* —in its entirety.

We encourage applicants to also review the **goals and indicators for strengthening Vermont's food system** identified in the *Farm to Plate Strategic Plan* (published by the Vermont Farm to Plate Network and the Vermont Sustainable Jobs Fund). Find these goals at <http://bit.ly/1MxZ5hJ>.

- 2) Draft responses to the questions below in a word processor or text editor (e.g., Google Docs, Microsoft Word, or TextEdit), and be prepared to enter your responses online at <https://agriculturegrants.vermont.gov>.

Be sure to consider **Section IV: Scoring Criteria**, before completing your LOI. After reviewing LOIs, the review committee will invite applicants with the top-ranking proposals to submit full applications.

Applicant Information

Be prepared to provide the following information: Applicant Name, Business or Organization, Mailing Address, Phone Number, and Email Address

You will be asked to self-certify that you are in compliance with state regulations and in good standing with the State of Vermont.

Project Information

Which best describes you, the lead applicant? (Choose only one.)

Nonprofit; Producer; Producer association or cooperative; State agency or department; University extension; University researcher

Partner Organizations

List all partner organizations that are formally participating with you in this project. If you are the only formally participating organization, specify this.

Which specialty crop industry or industries will your project promote? (Choose all that apply.)

Berries; Christmas trees; Grapes; Herbs and spices (culinary or medicinal); Honey; Hops; Maple syrup; Mushrooms; Tree fruit; Nursery or floriculture crops; Other fruits or tree nuts; Other

If you chose "Other fruits or tree nuts" or "Other" above, specify.

Answers to the following two questions are for reporting purposes and will not impact scoring.

1. Will your project benefit Beginning Farmers? *A Beginning Farmer is an individual or entity that has not operated a farm for more than 10 years and substantially participates in the operation.*

2. Will your project benefit Socially Disadvantaged Farmers? *A Socially Disadvantaged Farmer is a farmer 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.*

Project Type

Which state funding priorities will your project address? (Choose all that apply.)

- Development of innovative horticultural production practices and efficiencies to positively impact farm viability and/or conservation
- Pest and disease management
- Food safety—including the handling, preparation, transport, and storage of specialty crops in ways that reduce foodborne illness
- Value chain enhancement—including strengthening relationships between individuals, businesses, and organizations that build specialty crop value from production to consumption
- Market access (local, regional, national, or international), marketing, branding, and consumer education
- Organizational development—including strengthening producer associations and cooperative development

Expected Measurable Outcomes

Select the outcome measure(s) that are applicable to your project from the list below.

- **Outcome 1:** Enhance the competitiveness of specialty crops through increased sales (required for marketing & promotion projects)
- **Outcome 2:** Enhance the competitiveness of specialty crops through increased consumption
- **Outcome 3:** Enhance the competitiveness of specialty crops through increased access
- **Outcome 4:** Enhance the competitiveness of specialty crops through greater capacity of sustainable practices of specialty crop production resulting in increased yield, reduced inputs, increased efficiency, increased economic return, and/or conservation of resources
- **Outcome 5:** Enhance the competitiveness of specialty crops through more sustainable, diverse, and resilient specialty crop systems
- **Outcome 6:** Enhance the competitiveness of specialty crops through increasing the number of viable technologies to improve food safety
- **Outcome 7:** Enhance the competitiveness of specialty crops through increased understanding of the ecology of threats to food safety from microbial and chemical sources
- **Outcome 8:** Enhance the competitiveness of specialty crops through enhancing or improving the economy as a result of specialty crop development

Project Description

Project Title

Provide a descriptive project title in 15 words or fewer.

Duration of Project

Provide the estimated start and end dates of your project.

Project Summary & Purpose (maximum 500 words)

- Provide a very brief (one sentence, if possible) description of your project, including, (1) the applicant organization, (2) a concise outline of the project's outcomes, and (3) a general description of the tasks to be completed to meet this goal.

Example: ABC University will mitigate the spread of citrus greening (Huanglongbing) by developing scientifically-based practical measures to implement in a quarantine area and disseminating results to stakeholders through grower meetings and field days.

- Explain the specific issue, problem, or need your project will address.
- Provide the objectives that this project hopes to achieve.

Continuation Project Information

If your project is continuing the efforts of a previously-funded SCBGP project, describe how this project will differ from and build on the previous efforts.

Other Support from Federal or State Grant Programs

The SCBGP will not fund duplicative projects.

1. Have you submitted this project to a Federal or State grant program other than the SCBGP for funding and/or is a Federal or State grant program other than the SCBGP funding the project currently?
2. If your project is receiving or will potentially receive funds from another Federal or State grant program, identify the Federal or State grant program and describe how the SCBGP project differs from or supplements the efforts of the other grant programs.

External Project Support

Describe the specialty crop stakeholders who support this project (other than the applicant and organizations involved in the project) and explain why. Non-producer organization applicants may include a letter of support from a producer organization or industry group. Producer organization applicants may include a membership list and your board of directors.

Expected Measurable Outcomes & Impact (maximum 500 words)

- Using the outcome measure(s) you selected in the previous section, explain how you will measure your project outcome(s). You may specify one or more indicator provided in **Appendix B: USDA Evaluation Plan**. *Note: use of these indicators will be required in the full application.*

- If none of the specified outcome measures will accurately describe your project outcome(s), propose appropriate alternative outcome(s). *Note: proposed alternatives are subject to approval by AMS.*
- Describe your project's impact on the specialty crop industry. Who are the beneficiaries of your project?
- Describe your monitoring and evaluation plan.

Estimated Project Budget

Be prepared to enter the following:

- Specialty Crop Block Grant Program request
- Matching funds
- Match source
- Total project budget (including matching funds)

See the table below as a guide. In this section, indicate any intent to apply for a waiver of the matching funds requirement. Consult **Appendix C** if you have questions about whether certain costs can be funded by the Vermont SCBGP.

CATEGORY	SCBGP REQUEST	MATCHING FUNDS	MATCH SOURCE	TOTAL
Personnel				
Fringe Benefits				
Travel				
Equipment				
Supplies				
Contractual				
Other				
TOTAL				

Note: If a project runs the risk of benefiting non-specialty crop industries (e.g., grain, livestock, or dairy), it must be clear how you have determined that matching funds will cover the appropriate percentage of non-specialty crop industries.

III. Application Instructions

Only applicants that have submitted a letter of intent and been invited to apply may submit a full application. VAAFME will notify applicants by April 8 of their invitation to apply.

Your application must be submitted online at <https://agriculturegrants.vermont.gov> by Friday, May 6, 2016 at 4:30 PM.

To prepare your application, follow the instructions below:

- 1) Review this document—*Vermont SCBGP FY 2016 Request for Proposals*—in its entirety.

We encourage applicants to also review the **goals and indicators for strengthening Vermont's food system** identified in the *Farm to Plate Strategic Plan* (published by the Vermont Farm to Plate Network and the Vermont Sustainable Jobs Fund). Find these goals at <http://bit.ly/1MxZ5hJ>.

- 2) Copy and paste your abstract into the space provided in the application. For project tracking purposes, we ask that you provide the abstract in this form as well as including it in your attached proposal.
- 3) Prepare and attach your full project proposal. Project proposals should have all the components outlined in this section including the budget.
- 4) Non-producer organization applicants should attach a letter of support from a producer organization or industry group. Producer organization applicants should include a membership list and the board of directors.

Be sure to consider **Section IV: Scoring Criteria**, before completing your application.

Applicant Information

Be prepared to provide the following information: Applicant Name, Business or Organization, DUNS number²; Mailing Address, Phone Number, and Email Address

You will be asked to self-certify that you are in compliance with state regulations and in good standing with the State of Vermont.

Project Information

Which best describes you, the lead applicant? (Choose only one.)

Nonprofit; Producer; Producer association or cooperative; State agency or department; University extension; University researcher

² If your organization does not have a DUNS number, visit <http://www.grants.gov/web/grants/applicants/organization-registration/step-1-obtain-duns-number.html>.

Partner Organizations

List all partner organizations that are formally participating with you in this project. If you are the only formally participating organization, specify this.

Which specialty crop industry or industries will your project promote? (Choose all that apply.)

Berries; Christmas trees; Grapes; Herbs and spices (culinary or medicinal); Honey; Hops; Maple syrup; Mushrooms; Tree fruit; Nursery or floriculture crops; Other fruits or tree nuts; Other

If you chose "Other fruits or tree nuts" or "Other" above, specify.

Answers to the following two questions are for reporting purposes and will not impact scoring.

1. Will your project benefit Beginning Farmers? *A Beginning Farmer is an individual or entity that has not operated a farm for more than 10 years and substantially participates in the operation.*
2. Will your project benefit Socially Disadvantaged Farmers? *A Socially Disadvantaged Farmer is a farmer 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.*

Project Type**Which state funding priorities will your project address? (Choose all that apply.)**

- Development of innovative horticultural production practices and efficiencies to positively impact farm viability and/or conservation
- Pest and disease management
- Food safety—including the handling, preparation, transport, and storage of specialty crops in ways that reduce foodborne illness
- Value chain enhancement—including strengthening relationships between individuals, businesses, and organizations that build specialty crop value from production to consumption
- Market access (local, regional, national, or international), marketing, branding, and consumer education
- Organizational development—including strengthening producer associations and cooperative development

Project Proposal Template

Use this subsection as a template for your proposal attachment. Download the template in Microsoft Word format from Vermont SCBGP webpage at <http://go.usa.gov/3JGBG> (case sensitive URL).

PROJECT TITLE

Provide a descriptive project title in 15 words or less in the space below.

DURATION OF PROJECT

Start Date: Start Date **End Date:** End Date

PROJECT PARTNER AND SUMMARY

Include a project summary of 250 words or less suitable for dissemination to the public. A Project Summary provides a very brief (one sentence, if possible) description of your project. A Project Summary includes:

1. The name of the applicant organization that if awarded a grant will establish an agreement or contractual relationship with the State department of agriculture to lead and execute the project,
2. A concise outline the project's outcome(s), and
3. A description of the general tasks to be completed during the project period to fulfill this goal.

For example:

The ABC University will mitigate the spread of citrus greening (Huanglongbing) by developing scientifically-based practical measures to implement in a quarantine area and disseminating results to stakeholders through

PROJECT PURPOSE

PROVIDE THE SPECIFIC ISSUE, PROBLEM OR NEED THAT THE PROJECT WILL ADDRESS

PROVIDE A LISTING OF THE OBJECTIVES THAT THIS PROJECT HOPES TO ACHIEVE

Add more objectives by copying and pasting the existing listing or delete objectives that aren't necessary.

Objective 1

Objective 2

Objective 3

Objective 4

Add other objectives as necessary

PROJECT BENEFICIARIES

Estimate the number of project beneficiaries:.....Enter the Number of Beneficiaries

Does this project directly benefit socially disadvantaged farmers as defined in the RFA? Yes No

Does this project directly benefit beginning farmers as defined in the RFA? Yes No

STATEMENT OF SOLELY ENHANCING SPECIALTY CROPS

By checking the box to the right, I confirm that this project solely enhances the competitiveness of specialty crops in accordance with and defined by 7 U.S.C. 1621. Further information regarding the definition of a specialty crop can be found at www.ams.usda.gov/services/grants/scbgp.

CONTINUATION PROJECT INFORMATION

If your project is continuing the efforts of a previously funded SCBGP project, address the following:

DESCRIBE HOW THIS PROJECT WILL DIFFER FROM AND BUILD ON THE PREVIOUS EFFORTS

PROVIDE A SUMMARY (3 TO 5 SENTENCES) OF THE OUTCOMES OF THE PREVIOUS EFFORTS

PROVIDE LESSONS LEARNED ON POTENTIAL PROJECT IMPROVEMENTS

What was previously learned from implementing this project, including potential improvements?

How are the lessons learned and improvements being incorporated into the project to make the ongoing project more effective and successful at meeting goals and outcomes?

DESCRIBE THE LIKELIHOOD OF THE PROJECT BECOMING SELF-SUSTAINING AND NOT INDEFINITELY DEPENDENT ON GRANT FUNDS

OTHER SUPPORT FROM FEDERAL OR STATE GRANT PROGRAMS

The SCBGP will not fund duplicative projects. Did you submit this project to a Federal or State grant program other than the SCBGP for funding and/or is a Federal or State grant program other than the SCBGP funding the project currently?

Yes

No

IF YOUR PROJECT IS RECEIVING OR WILL POTENTIALLY RECEIVE FUNDS FROM ANOTHER FEDERAL OR STATE GRANT PROGRAM

Identify the Federal or State grant program(s).

Describe how the SCBGP project differs from or supplements the other grant program(s) efforts.

EXTERNAL PROJECT SUPPORT

Describe the specialty crop stakeholders who support this project and why (other than the applicant and organizations involved in the project).

EXPECTED MEASURABLE OUTCOMES

SELECT THE APPROPRIATE OUTCOME(S) AND INDICATOR(S)/SUB-INDICATOR(S)

You must choose at least one of the eight outcomes listed in the [SCBGP Performance Measures](#), which were approved by the Office of Management and Budget (OMB) to evaluate the performance of the SCBGP on a national level.

OUTCOME MEASURE(S)

Select the outcome measure(s) that are applicable for this project from the listing below.

- Outcome 1:** Enhance the competitiveness of specialty crops through increased sales (required for marketing projects)
- Outcome 2:** Enhance the competitiveness of specialty crops through increased consumption
- Outcome 3:** Enhance the competitiveness of specialty crops through increased access
- Outcome 4:** Enhance the competitiveness of specialty crops through greater capacity of sustainable practices of specialty crop production resulting in increased yield, reduced inputs, increased efficiency, increased economic return, and/or conservation of resources
- Outcome 5:** Enhance the competitiveness of specialty crops through more sustainable, diverse, and resilient specialty crop systems
- Outcome 6:** Enhance the competitiveness of specialty crops through increasing the number of viable technologies to improve food safety
- Outcome 7:** Enhance the competitiveness of specialty crops through increased understanding of the ecology of threats to food safety from microbial and chemical sources
- Outcome 8:** Enhance the competitiveness of specialty crops through enhancing or improving the economy as a result of specialty crop development

OUTCOME INDICATOR(S)

Provide at least one indicator listed in the [SCBGP Performance Measures](#) and the related quantifiable result. If you have multiple outcomes and/or indicators, repeat this for each outcome/indicator.

For example:

Outcome 2, Indicator 1.a.

Of the 150 total number of children and youth reached, 132 will gain knowledge about eating more specialty crops.

MISCELLANEOUS OUTCOME MEASURE

In the unlikely event that the outcomes and indicators above the selected outcomes are not relevant to your project, you must develop a project-specific outcome(s) and indicator(s) which will be subject to approval by AMS.

DATA COLLECTION TO REPORT ON OUTCOMES AND INDICATORS

Explain how you will collect the required data to report on the outcome and indicator in the space be

BUDGET NARRATIVE

All expenses described in this Budget Narrative must be associated with expenses that will be covered by the SCBGP. If any matching funds will be used and a description of their use is required by the State department of agriculture, the expenses to be covered with matching funds must be described separately. Applicants should review the Request for Applications section 4.6 Funding Restrictions prior to developing their budget narrative.

Budget Summary				
Expense Category	SCBGP Request	Matching Funds	Match Source	Total
Personnel				
Fringe Benefits				
Travel				
Equipment				
Supplies				
Contractual				
Other				
Direct Costs Subtotal				
Indirect Costs				

Total Budget	

PERSONNEL

List the organization's employees whose time and effort can be specifically identified and easily and accurately traced to project activities that solely enhance the competitiveness of specialty crops. See the Request for Applications section 4.6.2 Allowable and Unallowable Costs and Activities, Salaries and Wages, and Presenting Direct and Indirect Costs Consistently under section 4.6.1 for further guidance.

#	Name/Title	Level of Effort (# of hours OR % FTE)	Funds Requested
1			
2			
3			
4			

Personnel Subtotal	
--------------------	--

PERSONNEL JUSTIFICATION

For each individual listed in the above table, describe the activities to be completed by name/title including approximately when activities will occur. Add more personnel by copying and pasting the existing listing or deleting personnel that aren't necessary.

Personnel 1:

Personnel 2:

Personnel 3:

Add other Personnel as necessary

FRINGE BENEFITS

Provide the fringe benefit rates for each of the project's salaried employees described in the Personnel section that will be paid with SCBGP funds.

#	Name/Title	Fringe Benefit Rate	Funds Requested
1			
2			
3			
4			

Fringe Subtotal	
-----------------	--

TRAVEL

Explain the purpose for each Trip Request. Please note that travel costs are limited to those allowed by formal organizational policy; in the case of air travel, project participants must use the lowest reasonable commercial airfares. For recipient organizations that have no formal travel policy and for-profit recipients, allowable travel costs may not exceed those established by the Federal Travel Regulation, issued by GSA, including the maximum per diem and subsistence rates prescribed in those

regulations. This information is available at <http://www.gsa.gov>. See the Request for Applications section 4.6.2 Allowable and Unallowable Costs and Activities, Travel, and Foreign Travel for further guidance.

#	Trip Destination	Type of Expense (airfare, car rental, hotel, meals, mileage, etc.)	Unit of Measure (days, nights, miles)	# of Units	Cost per Unit	# of Travelers Claiming the Expense	Funds Requested
1							
2							
3							
4							
5							
6							
7							

Travel Subtotal	
-----------------	--

TRAVEL JUSTIFICATION

For each trip listed in the above table describe the purpose of this trip and how it will achieve the objectives and outcomes of the project. Be sure to include approximately when the trip will occur. Add more trips by copying and pasting the existing listing or delete trips that aren't necessary.

Trip 1 (Approximate Date of Travel MM/YYYY):

Trip 2(Approximate Date of Travel MM/YYYY):

Trip 3(Approximate Date of Travel MM/YYYY):

Add other Trips as necessary

CONFORMING WITH YOUR TRAVEL POLICY

By checking the box to the right, I confirm that my organization's established travel policies will be adhered to when completing the above-mentioned trips in accordance with [2 CFR 200.474](#) or [48 CFR subpart 31.2](#) as applicable.

EQUIPMENT

Describe any special purpose equipment to be purchased or rented under the grant. "Special purpose equipment" is tangible, nonexpendable, personal property having a useful life of more than one year and an acquisition cost that equals or exceeds \$5,000 per unit and is used only for research, medical, scientific, or other technical activities. See the Request for Applications section 4.6.2 Allowable and Unallowable Costs and Activities, Equipment - Special Purpose for further guidance

SECTION III: APPLICATION INSTRUCTIONS

Rental of "general purpose equipment" must also be described in this section. Purchase of general purpose equipment is not allowable under this grant. See Request for Applications section 4.6.2 Allowable and Unallowable Costs and Activities, Equipment - General Purpose for definition, and Rental or Lease Costs of Buildings, Vehicles, Land and Equipment.

#	Item Description	Rental or Purchase	Acquire When?	Funds Requested
1				
2				
3				
4				

Equipment Subtotal	
--------------------	--

EQUIPMENT JUSTIFICATION

For each Equipment item listed in the above table describe how this equipment will be used to achieve the objectives and outcomes of the project. Add more equipment by copying and pasting the existing listing or delete equipment that isn't necessary.

Equipment 1:

Equipment 2:

Equipment 3:

Add other Equipment as necessary

SUPPLIES

List the materials, supplies, and fabricated parts costing less than \$5,000 per unit and describe how they will support the purpose and goal of the proposal and solely enhance the competitiveness of specialty crops. See Request for Applications section 4.6.2 Allowable and Unallowable Costs and Activities, Supplies and Materials, Including Costs of Computing Devices for further information.

Item Description	Per-Unit Cost	# of Units/Pieces Purchased	Acquire When?	Funds Requested

Supplies Subtotal	
-------------------	--

SUPPLIES JUSTIFICATION

Describe the purpose of each supply listed in the table above purchased and how it is necessary for the completion of the project's objective(s) and outcome(s).

CONTRACTUAL/CONSULTANT

Contractual/consultant costs are the expenses associated with purchasing goods and/or procuring services performed by an individual or organization other than the applicant in the form of a procurement relationship. If there is more than one contractor or consultant, each must be described separately. (Repeat this section for each contract/consultant.)

ITEMIZED CONTRACTOR(S)/CONSULTANT(S)

Provide an itemized budget (personnel, fringe, travel, equipment, supplies, other, etc.) with appropriate justification. If indirect costs are/will be included in the contract, include the indirect cost rate used. Please note that any statutory limitations on indirect costs also apply to contractors and consultants.

#	Name/Organization	Hourly Rate/Flat Rate	Funds Requested
1			
2			
3			
4			

Contractual/Consultant Subtotal	
---------------------------------	--

CONTRACTUAL JUSTIFICATION

Describe the project activities each contractor or consultant will accomplish to meet the objectives and outcomes of the project. Include timelines for each activity. If contractor employee and consultant hourly rates of pay exceed the salary of a GS-15 step 10 Federal employee in your area (for more information please go to <http://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/2016/general-schedule/>), provide a justification for the expenses. This limit does not include fringe benefits, travel, indirect costs, or other expenses. See Request for Applications section 4.6.2 Allowable and Unallowable Costs and Activities, Contractual and Consultant Costs for acceptable justifications.

Contractor/Consultant 1:

Contractor/Consultant 2:

Contractor/Consultant 3:

Add other Contractors/Consultants as necessary

CONFORMING WITH YOUR PROCUREMENT STANDARDS

By checking the box to the right, I confirm that my organization followed the same policies and procedures used for procurements from non-federal sources, which reflect applicable State and local laws and regulations and conform to the Federal laws and standards identified in [2 CFR Part 200.317 through.326](#), as applicable. If the contractor(s)/consultant(s) are not already selected, my organization will follow the same requirements.

OTHER

Include any expenses not covered in any of the previous budget categories. Be sure to break down costs into cost/unit. Expenses in this section include, but are not limited to, meetings and conferences, communications, rental expenses, advertisements, publication costs, and data collection.

If you budget meal costs for reasons other than meals associated with travel per diem, provide an adequate justification to support that these costs are not entertainment costs. See Request for Applications section 4.6.2 Allowable and Unallowable Costs and Activities, Meals for further guidance.

Item Description	Per-Unit Cost	Number of Units	Acquire When?	Funds Requested

Other Subtotal	
-----------------------	--

OTHER JUSTIFICATION

Describe the purpose of each item listed in the table above purchased and how it is necessary for the completion of the project's objective(s) and outcome(s).

PROGRAM INCOME

Program income is gross income—earned by a recipient or subrecipient under a grant—directly generated by the grant-supported activity, or earned only because of the grant agreement during the grant period of performance. Program income includes, but is not limited to, income from fees for services performed; the sale of commodities or items fabricated under an award (this includes items sold at cost if the cost of producing the item was funded in whole or partially with grant funds); registration fees for conferences, etc.

Source/Nature of Program Income	Description of how you will reinvest the program income into the project to solely enhance the competitiveness of specialty crops	Estimated Income

Program Income Total	
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IV. Scoring Criteria

Benefit to Specialty Crop Industry & Relevance to State Funding Priorities

Proposal demonstrates that it will enhance the competitiveness of specialty crops and impact a significant number of beneficiaries. The proposed project responds to an important need and relates directly to one or more of the state funding priorities identified for 2016.

Applicant should clearly demonstrate relevance to each funding priority cited in the proposal: extra points will not be awarded solely on the basis of addressing more than one funding priority.

Up to 25 points

Outcome Measures & Evaluation

Outcome measures are fully developed and realistic. The project includes a strong monitoring and evaluation plan and clearly explains how outcomes will be measured. Project includes a strong outreach/information dissemination component to ensure a broad impact.

Up to 25 points

Efficient use of Resources

Proposal demonstrates partnership. Work plan and budget are realistic. Applicant has leveraged the required percentage of matching funds and sufficient organizational support to forward the project.

Up to 15 points

Partner Organizations & Support

Applicant lists the partner organizations formally participating with the lead applicant or specifies that applicant is the only participating organization. Applicant lists specialty crop stakeholders—other than the applicant, individuals, and organizations directly involved—who support the project and explains why.

Required for application; optional for letter of intent: Non-producer organization applicants provide at least one letter of support from a producer organization or industry group. Producer organization applicants provide a membership list and board of directors.

Up to 15 points

Experience & Previous Work

Applicant has a proven track record of successful experience in the type of activity proposed in the application. Proposed project builds from previous work on behalf of applicant or partner organizations.

Up to 10 points

Innovation

The project is innovative and develops new knowledge that can strengthen the operations of specialty crop producers.

Up to 10 points

V. Grant Management & Reporting

Note: Failure to adhere to reporting requirements and deadlines may disqualify grantee from further grants and/or impact future grant scores.

Grant Award Agreement & Payment

Prior to beginning work on the proposed project or receiving funding, successful applicants will be required to sign a grant award agreement with VAAFM indicating their intention to complete the proposed tasks and authorizing VAAFM to monitor the progress of the proposed project. In addition to obtaining a DUNS number (required prior to application submission), successful applicants will be required to register with the System for Award Management (SAM) – the Official U.S. Government system that consolidated the capabilities of CCR/FedReg, ORCA, and EPLS. There is NO fee to register for the site. Entities may register at no cost directly from this page: <https://www.sam.gov>.

Grant award agreements must be signed and returned to VAAFM within 30 days of receipt. In addition, successful applicants must submit a certificate of insurance (COI) listing the State of Vermont as an additional insured and an IRS Form W-9, if these forms are not already on file with the Agency of Agriculture. Failure to submit all required forms and an executed copy of the grant award agreement within 30 days of receipt may result in the loss of awarded grant funds.

Grantees may submit an invoice for 40% of the total grant amount with their signed Grant Award Agreement. An invoice for an additional 40% of the total grant amount may be submitted with the first annual progress report or progress update (for grants whose start and end dates encompass less than 15 full months). The remaining 20% of grant funds will be retained until receipt of the final performance report and its approval by AMS.

Reporting Requirements

VAAFM reserves the right to modify reporting requirements during the course of the project. Information submitted in any report to the Agency will be a public record. If the Grant Recipient considers any information in the report to be a trade secret protected, the Grant Recipient may request that trade secret information be kept confidential and must specifically label the information for which the claim is made. The Agency shall notify the Grant Recipient if a public records request is made for the information claimed as protected by the Grant Recipient. The Grant Recipient may then proceed to obtain judicial protection for the information.

Annual Reports

Annual progress reports are required by December 1 of the initial award year (except for awards made in the final quarter of the calendar year) and the following December 1 of each year until the expiration date of the grant period. Reports must detail the project status and how grant monies were used to achieve project outcomes outlined in the project proposal submitted with the grant application packet. Reports

must also include a detailed financial report that tracks all expenditures against the project budget submitted with the grant proposal. The annual progress report shall be organized as follows:

Activities Performed

- *Briefly summarize activities performed, targets, and/or performance goals achieved during the reporting period. This section should discuss the tasks provided in the Work Plan of your approved project proposal and include the significant results, accomplishments, conclusions and recommendations as well as favorable or unusual developments.*
- *Provide a comparison of actual accomplishments with the goals established for the reporting period.*
- *Present the significant contributions and role of project partners in the project.*
- *Clearly convey progress toward achieving the Expected Measurable Outcomes identified in the approved project proposal by illustrating baseline data that has been gathered to date and showing the progress toward achieving set targets.*
- *If a target was already achieved, provide a new “stretch” goal.*

Problems & Delays

- *Were any unexpected delays, impediments, or challenges met in order to complete the goals for each project, such as changes or delays to the approved Work Plan activities and Expected Measurable Outcomes? If so, explain why these changes took place.*
- *What actions were taken in order to address delays, impediments, or challenges?*
- *If corrective actions were taken, have you reviewed measurable outcomes to determine if targets are realistic and attainable?*
- *If the Work Plan timeline, Expected Measurable Outcomes, and/or budget illustrate a need to be adjusted, provide an outline of those changes.*

Future Project Plans

- *Provide a brief summary of activities performed, targets, and/or performance goals to be achieved during the next reporting period.*
- *Describe any changes that are anticipated in the project.*
- *Do any of the changes require formal scope or budget amendment? If yes, please note this.*

Funds Expended to Date

- *Provide the actual dollar amount or percentage of grant funds expended on the project to date.*
- *Does the progress to date coincide with the level of funds expended? If not, make sure to report delays in the Problems & Delays section.*
- *In the event that the project gained income as a result of planned activities, provide the amount of this supplemental funding and describe how it will be reinvested into the project.*

Final Reports

The final performance report should be submitted no later than 30 days following the grant agreement's end date and organized as follows:

Project Summary

- *Provide a background for the initial purpose of the project, which includes the specific issue, problem, or need that was addressed by this project.*
- *Establish the motivation for this project by presenting the importance and timeliness of the project.*
- *If the project built on a previous SCBGP-funded project, describe how this project complemented and enhanced previously completed work.*

Project Approach

- *Briefly summarize the activities and tasks performed during the entire grant period. This section should discuss the tasks provided in the Work Plan in your approved project proposal and include significant results, accomplishments, conclusions, and recommendations as well as favorable or unusual developments.*
- *If the overall scope of the project benefitted commodities other than specialty crops, indicate how project staff ensured that funds were used to solely enhance the competitiveness of specialty crops.*
- *Detail the significant contributions and role of project partners in the project.*

Goals and Outcomes Achieved

- *Supply the activities that were completed in order to achieve the performance goals and measurable outcomes identified in the approved project proposal or subsequent amendments.*
- *If outcome measures were long term, summarize the progress made toward achievement.*
- *Provide a comparison of actual accomplishments with the goals established for the reporting period.*
- *Clearly convey outcomes achieved by illustrating baseline data that has been gathered to date and showing progress toward achieving set targets.*
- *Highlight the major successful outcomes of the project in quantifiable terms.*

Beneficiaries

- *Provide a description of the groups and other operations that benefited from the completion of this project's accomplishments.*
- *Clearly state the number of beneficiaries affected by the project's accomplishments and/or the potential economic impact of the project.*

Lessons Learned

- *Offer insight into the lessons learned by the project staff as a result of completing this project.*
- *Provide any unexpected outcomes or results that were an effect of implementing this project.*
- *If goals or outcome measures were not achieved, identify and share the lessons learned to help others expedite problem-solving.*

Contact Person

Include telephone number and email address.

Additional Information

Copies of all outlines, reports, charts, sketches, drawings, art work, plans, photographs, digital imagery, presentations, specifications, estimates, computer programs, publications, websites, photographs, or similar documents produced and/or developed as a result of Specialty Crop Block Grant Program funds should be submitted with the final report. Where online resources have been developed, a full list of web pages and corresponding URLs should be submitted.

SCBGP Program Provisions

If awarded a Vermont SCBGP grant, you ("Subrecipient") will be subject to the following provisions.

1. **Availability of Federal Funds:** This grant agreement is funded by federal funds. In the event the federal funds supporting this grant become unavailable or are reduced, the State may cancel this grant immediately, and the State shall have no obligation to pay Subrecipient from State revenues.
2. **Federal Award Requirements:** Subrecipients should review 2 CFR Part 200 – *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (http://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title02/2cfr200_main_02.tpl) and ensure that they are in compliance with these Federal regulations, implemented by the U.S. Office of Management and Budget on December 26, 2014. The most recent *Specialty Crop Block Grant Program General Award Terms and Conditions* may be viewed at <http://www.ams.usda.gov/services/grants/scbgb/guidance>. If a subrecipient fails to comply with the terms and conditions of the federal award, the Vermont Agency of Agriculture may impose special award conditions as outlined in 2 CFR Part 200.338.
3. **Financial Management:** Subrecipients are required to meet the standards and requirements for financial management systems set forth or referenced in 2 CFR Part 200.302.
4. **Site Visits:** If a project's grant period is more than one year, a site visit will be performed by Agency staff. The site visit will be scheduled any time after the end of the second quarter of the grant period, at a mutually agreeable time for the Agency and the Subrecipient.
5. **Work Product Ownership:** The parties agree that ownership of all data, papers, reports, forms, or other material collected or produced by the Grantee, under this contract, (the "work product") shall belong to the Grantee. Upon a request made by the State, the Grantee shall provide, free of cost, copies of all such work product no later than 30 days from the date of the request. The State shall have a nonexclusive, nontransferable, irrevocable, royalty free paid-up license to use or have used the work product for or on behalf of the State during the pendency of the agreement and thereafter. The State may provide the work product to its contractors, grantees, community partners, and to other local, state, and federal governmental entities for their non-commercial use.
6. **Acknowledgement of Support:** All meetings and gatherings held as well as written and electronic materials produced as a result of this grant will acknowledge the Vermont Specialty Crop Block Grant Program as funder. Written and electronic materials will also include the following text:

This publication [or project] was supported by the U.S. Department of Agriculture's (USDA) Agricultural Marketing Service through State of Vermont grant [15-SCBGP-VT-_____]. Its contents are solely the responsibility of the authors and do not necessarily represent the official views of the USDA. *Note that USDA symbols or logos are only intended for the official use of the USDA. They are expressly excluded from use to imply endorsement of a commercial product or service. The symbol or logo may not be used by anyone outside of USDA without permission.*

7. A **Frequently Asked Questions** (FAQ) page for grant recipients is available on the Vermont Agency of Administration, Department of Finance and Management website: http://finance.vermont.gov/faq/grant_faq. This page provides information regarding correspondence you will receive from the Vermont Dept. of Finance and Management and other required record keeping relating to your grant.
8. **Drug-free Workplace:** Grantee must comply with drug-free workplace requirements in 2 CFR Subpart B (or Subpart C, if the recipient is an individual) of part 421, which adopts the Government-wide implementation (2 CFR part 182) of sec. 5152-5158 of the Drug-Free Workplace Act of 1988 (Pub. L. 100-690, Title V, Subtitle D; 41 U.S.C. 701-707).
9. **Program Income:** Program income is gross income earned during the grant period by the Subrecipient resulting from activity supported by a federal award. Program income includes, but is not limited to, income from fees for services performed; the sale of commodities or items fabricated under an award (this includes items sold at cost if the cost of producing the item was funded in whole or partially with grant funds); registration fees for conferences, workshops, etc. Royalties or equivalent income earned from patents, inventions, trademarks, and copyrighted works is not subject to this section. Program income must be reported.

Program income earned during the project period shall be retained by the grantee and, in accordance with Federal awarding agency regulations or the terms and conditions of the award, shall be used in one or more of the following ways. Federal guidelines governing uses of program income are listed in [2 CFR §200.307\(e\)](#). Subrecipients are not accountable for program income earned after the grant agreement period of performance.

- (1) **Deduction.** Ordinarily program income must be deducted from total allowable costs to determine the net allowable costs. Program income must be used for current costs unless the Federal awarding agency authorizes otherwise. Program income that the non-Federal entity did not anticipate at the time of the Federal award must be used to reduce the Federal award and non-Federal entity contributions rather than to increase the funds committed to the project.
- (2) **Addition.** With prior approval of the Federal awarding agency (except for IHEs and nonprofit research institutions, as described in paragraph (e) of this section) program income may be added to the Federal award by the Federal agency and the non-Federal entity. The program income must be used for the purposes and under the conditions of the Federal award.
- (3) **Cost sharing or matching.** With prior approval of the Federal awarding agency, program income may be used to meet the cost sharing or matching requirement of the Federal award. The amount of the Federal award remains the same.

- 10. Intangible Property (Inventions & Patents):** Title to intangible property (see 2 CFR §200.59 Intangible property) acquired under a Federal award vests upon acquisition in the non-Federal entity. The non-Federal entity must use that property for the originally-authorized purpose, and must not encumber the property without approval of the Federal awarding agency. When no longer needed for the originally authorized purpose, disposition of the intangible property must occur in accordance with the provisions in 2 CFR §200.313 Equipment paragraph (e).
- The non-Federal entity may copyright any work that is subject to copyright and was developed, or for which ownership was acquired, under a Federal award. The Federal awarding agency reserves a royalty-free, nonexclusive and irrevocable right to reproduce, publish, or otherwise use the work for Federal purposes, and to authorize others to do so.
 - The non-Federal entity is subject to applicable regulations governing patents and inventions, including government-wide regulations issued by the Department of Commerce at 37 CFR Part 401, “Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Awards, Contracts and Cooperative Agreements.”
 - The Federal Government has the right to:
 - Obtain, reproduce, publish, or otherwise use the data produced under a Federal award; and
 - Authorize others to receive, reproduce, publish, or otherwise use such data for Federal purposes.
 - Freedom of Information Act (FOIA): (1) In response to a Freedom of Information Act (FOIA) request for research data relating to published research findings produced under a Federal award that were used by the Federal Government in developing an agency action that has the force and effect of law, the Federal awarding agency must request, and the non-Federal entity must provide, within a reasonable time, the research data so that they can be made available to the public through the procedures established under the FOIA. If the Federal awarding agency obtains the research data solely in response to a FOIA request, the Federal awarding agency may charge the requester a reasonable fee equaling the full incremental cost of obtaining the research data. This fee should reflect costs incurred by the Federal agency and the non-Federal entity. This fee is in addition to any fees the Federal awarding agency may assess under the FOIA (5 U.S.C. 552(a)(4)(A)). See 2 CFR §200.315 – Intangible property for further detail.

11. Changes Requiring Prior Written Approval

The State anticipates that as a project progresses, modifications may be required to accomplish project objectives. Subrecipients have some degree of latitude to re-budget within and between budget categories to meet unanticipated needs and to make other types of post-award changes. However, in some cases, Subrecipients are required to request prior written approval from the State and USDA AMS in advance of a change or obligation of funds.

Requests for prior written approval must be submitted via email to the Vermont Specialty Crop Block Grant Program (SCBGP) Program Manager.

There may be some instances in which multiple prior approvals occur at one time. For example, a change in scope or objective may prompt a change in the budget or specific costs that require prior approval. If this occurs, it is acceptable to combine several prior approval requests into one request. The requests must contain the required information listed in the applicable subsections below.

The Program Manager will confirm receipt of the request, review the request, and communicate with the Subrecipient project coordinator if there are questions or concerns before submitting the request to USDA AMS. The Subrecipient project coordinator will have the opportunity to revise the prior approval request to address questions and concerns posed by the Program Manager or AMS. Once approved, the Program Manager will notify the Subrecipient project coordinator via email.

Details on submitting requests for prior written approval for the following changes will be provided in your grant agreement.

- **11.1 Change in Subrecipient Project Coordinator:** Subrecipients must request prior written approval if there is a change in the Subrecipient project coordinator listed in the approved project.
- **11.2 Change in Subrecipient Project Coordinator – Time Devoted to the Project:** You must request prior written approval if the Subrecipient project coordinator listed in the approved grant agreement disengages from the project for a period of more than 3 months; reduces the time devoted to managing the project by 25 percent (25%) or more; or severs his/her connection to the activities of the grant agreement.
- **11.3 Change in Scope or Objectives:** Subrecipients must request prior approval when it is necessary to modify the project purpose, expected measurable outcomes, or substantially change the proposed work plan activities of an award.
- **11.4 One-Time Extension:** If the project cannot be completed within the time frame established in the grant agreement, Subrecipients may request prior written approval to extend the ending date of the grant agreement (no-cost extension of time). The request must be submitted no later than 10 days prior to the ending date of the grant agreement.
- **11.5 Travel Costs of Government Officials:** Subrecipients must request prior approval for each separate domestic or foreign trip involving a government official's travel costs if there are changes from the latest approved project and/or budget.
- **11.6 Pre-Award Costs:** Pre-award costs are costs incurred prior to the effective date of the Federal award directly pursuant to the negotiation and in anticipation of the Federal award where such costs are necessary for efficient and timely performance of the scope of work. Such costs are allowable only to the extent that they would have been allowable if incurred after the date of the Federal award, and only with prior written approval from AMS. A Subrecipient may incur pre-award costs 90 calendar days before AMS makes the award without prior written approval. Expenses incurred more than 90 calendar days pre-award require written prior approval from AMS. Allowable expenses contained in the original approved budget, (not in addition to it) are eligible for prior written approval.

- **11.7 Contracting Out** or Otherwise Obtaining the Services of a Third Party to Perform Activities that are Central to the Purposes of the Award: Subrecipients must request prior written approval for a change that involves subawarding, transferring or contracting out of any work under a Federal award. This provision does not apply to the acquisition of supplies, material, equipment or general support services.
- **11.8. Specific Allowable Costs Prior Approvals:** Subrecipients must request prior written approval for the following allowable costs that were not included in the approved project and/or the latest budget. See 9.0 *Allowable Costs and Activities* in the [Specialty Crop Block Grant Program FY 2015 General Award Terms and Conditions](#) for more information on these costs: Rental of Land; Special Purpose Equipment; Organization Costs; and Rearrangement and Reconversion Costs.

12. Civil Rights/Nondiscrimination

Subrecipients must comply with all Federal statutes relating to nondiscrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§1681- 1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794), which prohibits discrimination on the basis of handicaps; (d) the Age Discrimination Act of 1975, as amended (42 U. S.C. §§6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) §§523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§290 dd-3 and 290 ee-3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and, (j) the requirements of any other nondiscrimination statute(s) which may apply to the application.

Appendix A: WebGrants Guide

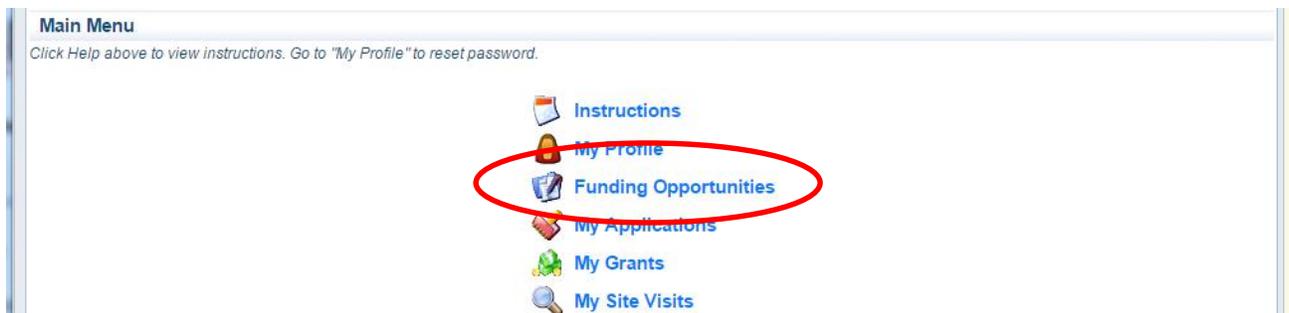
LOI Instructions for SCBGP Applicants

1. Go to agriculturegrants.vermont.gov. From this page—
 - a. Enter your User ID
 - b. Enter your Password
 - c. Click **Log In**

If you do not have a User ID, click **Register Here**

<p>Log In</p> <p>User ID:* <input type="text"/></p> <p>Password:* <input type="password"/></p> <p><input type="button" value="Log In"/></p> <p>Forgot User Id?</p> <p>Forgot Password?</p>	 <p>VERMONT</p> <p>New to WebGrants - Vermont Agency of Agriculture, Food and Markets?</p> <p>Register Here</p>
<p>Announcements</p> <p>Remember to turn off and disable your script, javascript, and ad blockers as well as pop-up blockers when entering the Vermont Agency of Agriculture grants site.</p>	

2. From the Main Menu, click **Funding Opportunities**



You may notice the term “Pre-Application” throughout the process.
This is synonymous with “Letter of Intent” or “LOI.”

3. From the Funding Opportunities page, select **Specialty Crop Block Grant Program**.
4. Click **Start a New Application**.
5. Fill out the SCBGP Applicant Information form.
6. Click **Save** to save the SCBGP Applicant Information form.

SCBGP Applicant Information

Applicant Name: [Title] [First] [Last]

Business or Organization *

Mailing Address *

Address Line 1

Address Line 2

* [City] [State: Vermont] [ZIP Code]

Phone Number *

Email *

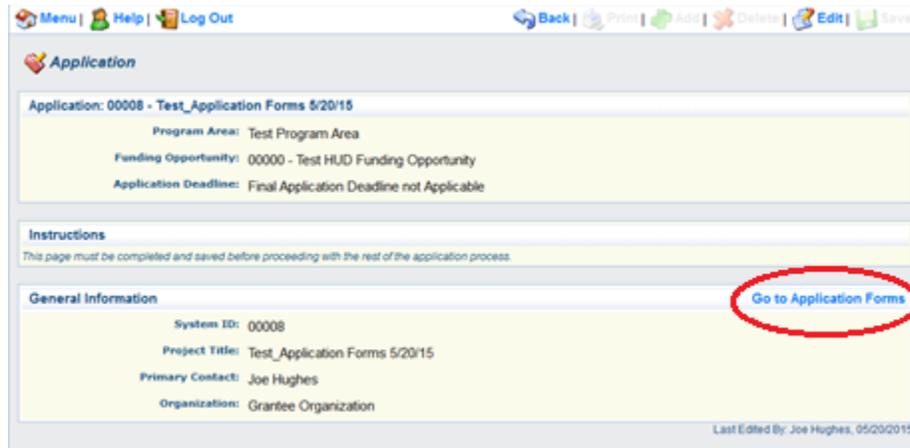
By checking the box below, you self-certify that you are in compliance with state regulations and in good standing with the State of Vermont.

I self-certify that I am in compliance with state regulations and in good standing with the State of Vermont.*

After clicking “Save,” your project will have an application number. If you need to log out and log back in you can return to your application by clicking “My Applications” in the Main Menu, or by clicking Funding Opportunities, where you will see your application in the top section. Do not click “Start a New Application.”

A view will show the completed form. You have the option to click “Edit” and edit your information or select additional users to have access to help complete the application.

7. Click **Go to Application Forms** to begin completing the pre-application (or LOI) forms designated for this funding opportunity



This view is a complete listing of all application forms that you need to complete in order to submit your LOI.

All forms can be edited and saved as often as necessary but the system will require that ALL fields marked as required (with an asterisk) MUST have entries and EVERY form must be “Marked as Complete” before you can submit your application. You will receive a pop-up message notifying you of this if you try to submit without completing these steps.

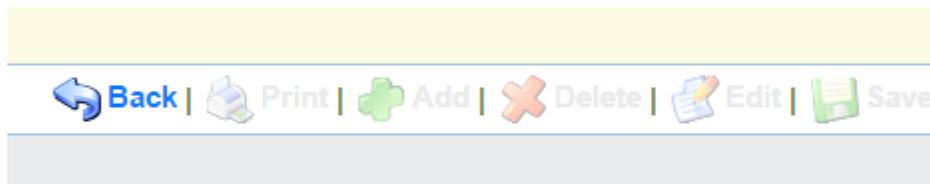
8. Continue to click on each form in the Pre-Application Forms listing

All information must be saved by clicking “Save” on the forms. If you do not click “Save,” and you back out of the form or a section of the form, your information will be lost. (You will receive a pop-up notifying you that you will lose the information if you back out before saving.)

After clicking on the form’s name, click “Edit” in the top right hand corner to add your information. When finished (or if you need to pause and walk away) click “Save,” then “Mark as Complete.” Click “Go to Application Forms” to return to the menu.

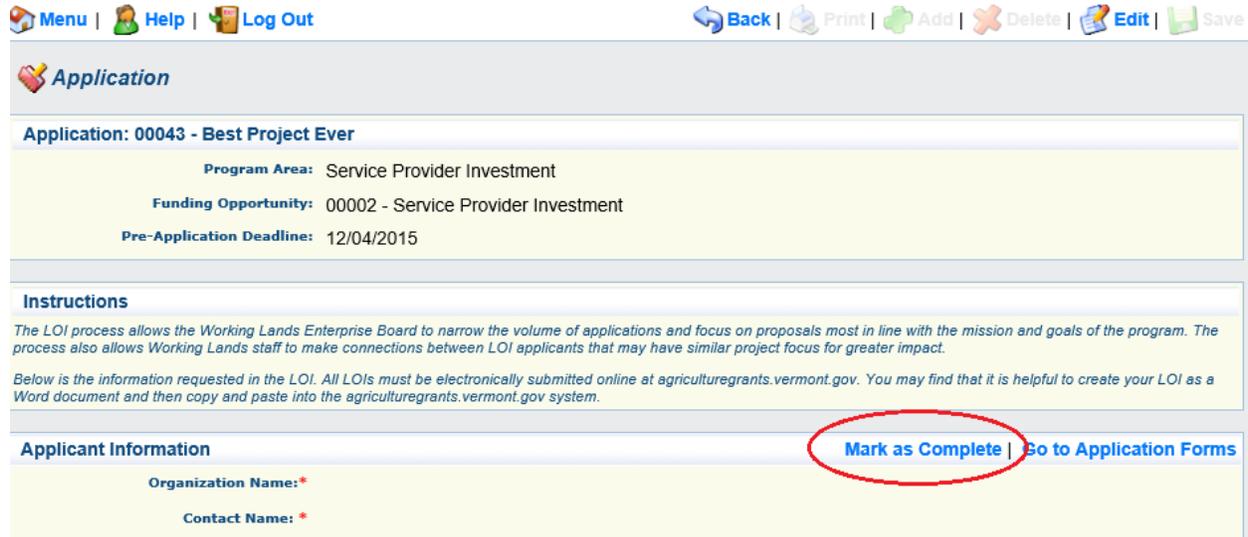
Most forms are editable by clicking “Edit” at the top part of the page, however, multi-list sections are editable by clicking “Add” on the section OR at the top of the page.

IMPORTANT: Use the system’s Back button (see below) to navigate within the system. Do not use your browser’s back button.



We find it is much easier to write your essay answers in a word processor such as Microsoft Word to easily catch spelling errors and word counts and then copy and paste your answers into the forms. In the word processor, make sure to check the character count, as WebGrants counts characters rather than words (spaces included).

9. When you are finished, first click **Save and then **Mark as Complete** at the top of the page**



10. Complete your estimated project budget

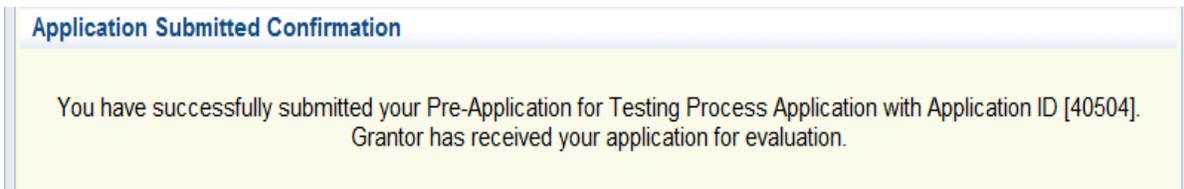
In order to edit the budget template, you first need to scroll to the top of the screen and click "Edit."

The Match Percent Calculator must demonstrate at least a 50% match before you are able to mark this section as complete. Click "Save" and "Mark as Complete" when finished.

11. Submit your application

When all forms have been marked as complete, you may return to your application page by either clicking "Go to Application Forms" or from the main menu. If everything looks good, click "Submit."

If you have missed any required fields, you will not be able to submit your application. Upon submission, you will receive a Confirmation Page confirming that your pre-application has been submitted.



Appendix B: USDA Evaluation Plan

USDA Agricultural Marketing Service

Specialty Crop Block Grant Program – Fiscal Year 2016 Evaluation Plan

October 2, 2015

Adapted from <http://1.usa.gov/1ZiWjkQ>.

Specialty Crop Block Grant Program Background

The Specialty Crops Competitiveness Act of 2004 (7 U.S.C. 1621 note) authorized the U.S. Department of Agriculture to make grants to be used by State departments of agriculture solely to enhance the competitiveness of specialty crops under the Specialty Crop Block Grant Program (SCBGP). All 50 States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the United States Virgin Islands, and the Commonwealth of the Northern Mariana Islands are eligible to participate. Specialty crops are becoming an increasingly important commodity area within the United States agricultural arena. This is especially true since there is an increasing demand by the public for year-round, healthy, nutritious and sustainable food. Specialty crops are defined as fruits and vegetables, tree nuts, dried fruits, horticulture and nursery crops (including floriculture). The Agricultural Marketing Service administers the SCBGP.

The 2014 Farm Bill, Section 10010, extended the SCBGP and authorized Commodity Credit Corporation funding at the following levels: \$72.5 million for 2014 through 2017 and \$85 million for 2018 and each fiscal year thereafter. Each State department of agriculture is eligible to receive an estimated base grant and an additional amount based on the average of the most recent available value and acreage of specialty crop production for that State. Awards are made for a grant period of up to three years in length.

State departments of agriculture are encouraged by AMS to conduct outreach to specialty crop stakeholders, including socially disadvantaged and beginning farmers, to disseminate information about the program and identify funding priorities. AMS also encourages State departments of agriculture to develop their State Plans through a competitive review process to ensure maximum public input and benefit.

AMS provides guidance and assistance to States in developing and submitting State Plans, meeting the administrative, reporting, and audit requirements involved in managing a funded project, and participates in workshops, conferences, and other forums to facilitate interaction among States, USDA representatives, and industry organizations. AMS also performs site visits with State departments of agriculture to assess program performance and provide technical assistance. The site visits identify effective practices, initiate corrective actions, and improve public accountability.

Fiscal Year 2016 Specialty Crop Block Grant Performance Evaluation

USDA's Agricultural Marketing Service (AMS) is required to report on the outcomes of the SCBGP at a national scale to demonstrate the performance of this program. By collecting, aggregating, and reporting performance data across all states and territories, AMS can share the impact of the SCBGP with all stakeholders, including the Office of Management and Budget (OMB), Congress, the agricultural community, and the general public.

- Each funded project must include at least one of eight specified outcomes listed below, and at least one of the indicators listed underneath the selected outcome(s). If there are multiple sub-indicators under the selected indicator, select at least one.
- If the indicator(s) below the selected outcome(s) are not relevant to a project, a project-specific indicator(s) may be developed which will be subject to approval by AMS.
- The progress of each indicator must be reported in the Annual Performance Report and the result in the Final Performance Report.
- AMS will aggregate the data collected to assess the overall impact of the program and report to OMB and Congress on these national outcome measures.
- AMS will review the quality of the information we receive in subsequent performance reports and modify the outcomes and indicators as needed over time to lead to better results in showing the impact of the SCBGP.

Outcome Measures

Outcome 1: To enhance the competitiveness of specialty crops through increased sales

THIS IS MANDATORY FOR ALL MARKETING AND PROMOTION PROJECTS.

Outcome Definition: Marketing and Promotion

Marketing and promotion projects focus efforts to sell, advertise, promote, market, and generate publicity, attract new customers, or raise customer awareness for specialty crops or a specialty crop venue. These include, but are not limited to:

- Uses of social media to market and promote;
- Specialty crop local, regional and national campaigns;
- Specialty crop only tradeshow;
- Website promotion and development;
- Use/development of billboards, radio, television, magazine and email ads, marketing materials such as direct mail, brochures;
- Agritourism;
- Export market development;
- Retail promotions including point-of-purchase items, labels, packaging etc.;
- Farmers market promotions; and
- Marketing and promotion campaigns with an education component directed to consumers.

The specific measure must be expressed as a dollar value and percentage increase in sales of one or more specialty crops in one or more States or foreign markets as a result of marketing and/or promotion activities. For example, an expected outcome of growth in sales from 5% to 10% is not acceptable by itself, but in combination with an increase in sales of \$1 million to \$2 million it is acceptable. This requirement means that an established baseline of sales in dollars must should already exist at the time of application. For projects that do not already have a baseline of sales in dollars, one of the objectives of the project must be to determine such a baseline in order to meet the requirement to document the value of sales increases by the end of the project.

Indicator: Sales increased from \$_____ to \$_____ and by _____ percent, as result of marketing and/or promotion activities

AMS understands that sales can be impacted by a host of unrelated issues including trade disputes, phytosanitary issues, export conditions, weather, and other factors affecting the farmer, supply chain, retailers, wholesalers and/or consumers. The above factors demonstrate that even a perfectly executed marketing campaign can result in sales remaining constant or even declining. These factors and events that either positively or negatively impacted the sales of a project can be explained in the performance report.

Outcome 2: Enhance the competitiveness of specialty crops through increased consumption

Indicators:

1. Of the _____ total number of children and youth reached,
 - a. The number that gained knowledge about eating more specialty crops
 - b. The number that reported an intention to eat more specialty crops
 - c. The number that reported eating more specialty crops
2. Of the _____ total number of adults reached,
 - a. The number that gained knowledge about eating more specialty crops
 - b. The number that reported an intention to eat more specialty crops
 - c. The number that reported eating more specialty crops
3. Number of new and improved technologies and processes to enhance the nutritional value and consumer acceptance of specialty crops (excluding patents) _____
4. Number of new specialty crops and/or specialty crop products introduced to consumers _____

Outcome 3: Enhance the competitiveness of specialty crops through increased access and awareness

Indicators:

1. Of the _____ total number of consumers or wholesale buyers reached,
 - a. The number that gained knowledge on how to access/produce/prepare/preserve specialty crops
 - b. The number that reported an intention to access/produce/prepare/preserve specialty crops

- d. The number that reported supplementing their diets with specialty crops that they produced/preserved/obtained/prepared
2. Of the ____ total number of individuals (culinary professionals, institutional kitchens, specialty crop entrepreneurs such as kitchen incubators/shared-use kitchens, etc.) reached,
 - a. The number that gained knowledge on how to access/produce/prepare/preserve specialty crops
 - b. The number that reported an intention to access/produce/prepare/preserve specialty crops
 - c. The number that reported supplementing their diets with specialty crops that they produced/prepared/preserved/obtained
3. Number of existing delivery systems/access points of those reached that expanded and/or improved offerings of specialty crops
 - a. ____ farmers markets
 - b. ____ produce at corner stores
 - c. ____ school food programs and other food options (vending machines, school events, etc.)
 - d. ____ grocery stores
 - e. ____ wholesale markets
 - f. ____ food hubs that process, aggregate, distribute, or store specialty crops
 - g. ____ home improvement centers with lawn and garden centers
 - h. ____ lawn and garden centers
 - i. ____ other systems/access points, not noted
 - j. ____ total (if not reported above)
4. Number of new delivery systems/access points offering specialty crops
 - a. ____ farmers markets
 - b. ____ produce at corner stores
 - c. ____ school food programs and other food options (vending machines, school events, etc.)
 - d. ____ grocery stores
 - e. ____ wholesale markets
 - f. ____ food hubs that process, aggregate, distribute, or store specialty crops
 - g. ____ home improvement centers with lawn and garden centers
 - h. ____ lawn and garden centers
 - i. ____ other systems/access points, not noted
 - j. ____ total (if not reported above)

Outcome 4: Enhance the competitiveness of specialty crops through greater capacity of sustainable practices of specialty crop production resulting in increased yield, reduced inputs, increased efficiency, increased economic return, and/or conservation of resources

Indicators:

1. Numbers of plant/seed releases (i.e., cultivars, drought-tolerant plants, organic, enhanced nutritional composition, etc.) _____

2. Adoption of best practices and technologies resulting in increased yields, reduced inputs, increased efficiency, increased economic return, and conservation of resources (select at least one below).
 - a. Number of growers/producers indicating adoption of recommended practices _____
 - b. Number of growers/producers reporting reduction in pesticides, fertilizer, water used/acre _____
 - c. Number of producers reporting increased dollar returns per acre or reduced costs per acre _____
 - d. Number of acres in conservation tillage or acres in other best management practices _____
3. Number of habitat acres established and maintained for the mutual benefit of pollinators and specialty crops _____

Outcome 5: Enhance the competitiveness of specialty crops through more sustainable, diverse, and resilient specialty crop systems

Indicators:

1. Number of new or improved innovation models (biological, economic, business, management, etc.), technologies, networks, products, processes, etc. developed for specialty crop entities including producers, processors, distributors, etc. _____
2. Number of innovations adopted _____
3. Number of specialty crop growers/producers (and other members of the specialty crop supply chain) that have increased revenue expressed in dollars _____
4. Number of new diagnostic systems analyzing specialty crop pests and diseases. _____
[Diagnostic systems refer to, among other things: labs, networks, procedures, access points.]
5. Number of new diagnostic technologies available for detecting plant pests and diseases. _____
[The intent here is not to count individual pieces of equipment or devices, but to enumerate technologies that add to the diagnostic capacity.]
6. Number of first responders trained in early detection and rapid response to combat plant pests and diseases _____
7. Number of viable technologies/processes developed or modified that will increase specialty crop distribution and/or production _____
8. Number of growers/producers that gained knowledge about science-based tools through outreach and education programs _____

Outcome 6: Enhance the competitiveness of specialty crops through increasing the number of viable technologies to improve food safety

Indicators:

1. Number of viable technologies developed or modified for the detection and characterization of specialty crop supply contamination from foodborne threats _____
2. Number of viable prevention, control and intervention strategies for all specialty crop production scales for foodborne threats along the production continuum _____

3. Number of individuals who learn about prevention, detection, control, and intervention food safety practices and number of those individuals who increase their food safety skills and knowledge _____
4. Number of improved prevention, detection, control, and intervention technologies _____
5. Number of reported changes in prevention, detection, control, and intervention strategies _____

Outcome 7: Enhance the competitiveness of specialty crops through increased understanding of threats to food safety from microbial and chemical sources

Indicators:

Number of projects focused on:

1. Increased understanding of fecal indicators and pathogens _____
2. Increased safety of all inputs into the specialty crop chain _____
3. Increased understanding of the roles of humans, plants and animals as vectors _____
4. Increased understanding of preharvest and postharvest process impacts on microbial and chemical threats _____
5. Number of growers or producers obtaining on-farm food safety certifications (such as Good Agricultural Practices or Good Handling Practices) _____

Outcome 8: Enhance the competitiveness of specialty crops through enhancing or improving the economy as a result of specialty crop development.

Indicators:

1. Number of new rural careers created _____
2. Number of new urban careers created _____
3. Number of jobs maintained/created _____
4. Number of small businesses maintained/created _____
5. Increased revenue/increased savings/one-time capital purchases (in dollars) _____
6. Number of new beginning farmers who went into specialty crop production _____
7. Number of socially disadvantaged farmers who went into specialty crop production _____

Additional Information:

- Difference between "jobs" and "careers": jobs are net gain of paid employment; new businesses created or adopted can indicate new careers.
- Beginning Farmer 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 is a farmer 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.

Appendix C: Allowable Costs & Activities

Adapted from USDA AMS, *Specialty Crop Block Grant Program General Award Terms and Conditions*. Original text available from <http://1.usa.gov/1z9QUjs>. Last updated 4/15/14.

This appendix is intended as a general guide to allowable costs and activities under the federal grant program; the Vermont Specialty Crop Block Grant Program may restrict certain costs in addition to USDA AMS guidelines.

All costs must solely enhance the competitiveness of specialty crops. At minimum, the costs of activities that solely benefit specialty crops must be readily distinguishable from other financial activities. If you cannot do this or it is impractical to segregate these costs, then the costs are not allowable.

This appendix is not all-inclusive. You should consult the Federal cost principles for the complete explanation of the allowability of costs they address. (The **Electronic Code of Federal Regulations** is available at <http://www.ecfr.gov>.) If you have questions concerning the allowability of costs after reviewing this appendix and the associated Federal cost principles, contact the SCBGP program administrator at the Vermont Agency of Agriculture, Food & Markets.

Direct & Indirect Costs

Direct costs are costs that can be identified specifically with a particular award, project or program, service, or other organizational activity or that can be directly assigned to such an activity relatively easily with a high degree of accuracy. Typically, direct costs include, but are not limited to, compensation of employees who work directly on the award to include salaries and fringe benefits, travel, equipment, and supplies directly benefiting the grant-supported project or program.

Indirect costs (also known as “facilities and administrative costs”) are costs incurred for common or joint objectives that cannot be identified specifically with a particular project, program, or organizational activity. Table 1 below includes typical indirect costs for specific types of organizations. The salaries of administrative and clerical staff should normally be treated as indirect costs. Direct charging of these costs may be appropriate where *all* of the following conditions are met:

- (1) administrative or clerical services are integral to a project or activity;
- (2) individuals involved can be specifically identified with the project or activity;
- (3) such costs are explicitly included in the budget or have the prior written approval of the Federal awarding agency; and
- (4) the costs are not also recovered as indirect costs.

The Vermont Specialty Crop Block Grant Program cannot fund indirect costs. (In your proposed budget, matching funds may be used to cover indirect costs.) You are responsible for presenting costs consistently and must not include costs associated with your indirect rate as direct costs.

Table 1. Typical Indirect Costs by Organization Type

Type of Organization	Typical Indirect Costs
Non-Profits	General administration and general expenses, such as the salaries and expenses of executive officers, personnel administration, and accounting, depreciation or use allowances on buildings and equipment, and the costs of operating and maintaining facilities.
Colleges and Universities	Equipment and capital improvements, operation and maintenance expenses, library expenses, general administration and general expenses, departmental administration, sponsored projects administration, student administration and services, depreciation and use allowances, and interest on debt associated with certain buildings.
State and Local Governments	State/local-wide central service costs, general administration of the recipient department or agency, accounting and personnel services performed within the recipient department or agency, depreciation or use allowances on buildings and equipment, and the costs of operating and maintaining facilities.

Costs Requiring Prior Approval

If a cost or activity requiring AMS SCBGP prior approval is not included or fully described in the approved application, you must obtain post-award prior approval as described in **8.0 Changes Requiring Prior Approval** in *SCBGP General Award Terms and Conditions* at <http://1.usa.gov/1z9QUjs>.

Selected Cost Items

Administration Costs

Administration costs, defined as indirect costs, cannot be funded through the Vermont Specialty Crop Block Grant Program.

Advertising and Public Relations and Selling and Marketing Costs

Allowable if the primary purpose is to promote the sale of an eligible specialty crop by either stimulating interest in a particular specialty crop or disseminating technical information or messages for the purpose of increasing market share for the specialty crops.

Advertising and Public Relations –Promotion of an organization’s image, logo, or brand name

Unallowable for advertising and public relations costs designed solely to promote the image of an organization, general logo, or general brand rather than eligible specialty crops.

- A promotional campaign to increase sales of “Vermont Grown” sweet corn is acceptable while increasing brand awareness of “Vermont Grown” generically is not.
- Promoting tomatoes while including an organization’s logo in the promotion is acceptable, while generally promoting an organization’s logo is not.
- Promotional items could say “Buy Vermont Grown Apples” but not “Vermont Grown,” which promotes Vermont generically.
- A promotional campaign to increase producer sales of “Vermont Grown Co-op fruits and vegetables” is acceptable while increasing membership in “Vermont Grown Co-op” generically is not.

Advertising and Public Relations - Promotion of non-specialty crop activities

Unallowable for advertising and public relations costs for promotion at non-specialty crop specific venues, tradeshow, events, meetings, programs, conventions, symposia, seminars, etc.

- Advertisements could say “Buy Sweet Corn! It is the Best!” but not “Buy Local.”
- Advertising educational sessions at a conference that solely benefits specialty crop growers are acceptable, while advertising a non-specialty crop specific local food conference is not.

Advertising and Public Relations - Promotional items

Allowable for promotional items that solely promote specialty crops rather than a single organization, general brand, or general logo.

Distribution of any promotional item must not be contingent upon the consumer, or other target audience, purchasing a good or service to receive the promotional item.

- Promotional items could say “Buy Vermont Grown Apples” but not “Vermont Grown.”

Advertising and Public Relations - Gifts, prizes, etc.

Unallowable for gifts, prizes, memorabilia, and souvenirs.

Advertising and Public Relations - Sponsorships

Unallowable 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 are considered a contribution or donation and only benefit the organization offering funding. This limits the beneficiaries to the sponsor organization, which conflicts with the restriction that projects affect and produce measurable outcomes for the specialty crop industry and/or the public rather than a single organization, institution, or individual.

Advertising and Public Relations - Coupons, Incentives or Other Price Discounts

Unallowable for costs of coupon/incentive redemptions or price discounts. Costs associated with printing, distribution, or promotion of coupons/tokens or price discounts (e.g., a print advertisement that contains a clip-out coupon) are allowable only if they solely promote the specialty crop rather than promote or benefit a program or single organization.

Advertising and Public Relations – Use of meeting rooms, space, exhibits for nonspecialty crop activities

Unallowable for costs associated with the use of trade shows, meeting rooms, displays, demonstrations, exhibits, and the rental of space for activities that do not solely promote specialty crops.

- Supporting the participation of raspberry and blueberry producers at a nonspecialty crop specific international trade show to promote berries to an international audience is allowable, while renting a booth space for berry producers as well as wheat producers at an international trade show is not allowable.
- Supporting the participation of farmers' market managers at a national conference that is not specific to specialty crops is not allowable.
- Supporting a portion of a national conference that is not specific to specialty crops is not allowable, while supporting a session on specialty crops at a national conference that is not specific to specialty crops is allowable.
- Funding a "Vermont State Grown" booth at a specialty crop-specific venue where all exhibitors in the booth are specialty crop producers is allowable, but funding a "Vermont Grown" booth at a non-specialty crop specific venue is not allowable.

Advertising and Public Relations – Cookbooks, Cooking Demonstrations, Recipe Cards, Food Pairings

Allowable for costs promoting the specialty crops in processed products (products prepared or created for the purposes of promoting a specialty crop but that require other ingredients are considered a processed product). Processed product is defined as a product that consists of greater than 50% of the specialty crop by weight, exclusive of added water.

Unallowable for costs of separate complementary non-specialty crop products. A separate complementary non-specialty crop product is defined as a product closely associated with a specialty crop product, the purchase of one encouraging consumers to buy the other, e.g. cheese and wine.

Alcoholic Beverages

Unallowable for alcoholic beverages except when the costs are associated with enhancing the competitiveness of a processed product as defined above.

Aquaponics

Allowable as long as the crops that are being grown are eligible specialty crops and the focus of the project is on the specialty crops and not the fish. For more information on constructing or purchasing an aquaponics system, review **Equipment-General Purpose** and **Equipment – Special Purpose**.

- A project to determine whether carp, catfish, or tilapia are best for growing lettuce is acceptable.
- A project to study whether lettuce or tomato produced the highest yield of tilapia is not acceptable.
- A project to farm fish using an aquaponics system and then sell the fish is not acceptable.
- A project to grow specialty crops where both the specialty crops and the fish are sold is not acceptable.

Audiovisual Activities and Acknowledgement of Support

Allowable for the production of an audiovisual. "Audiovisual" is defined as any product containing visual imagery, sound, or both, such as motion pictures, films, CD's, live or recorded radio or television programs or public service announcements, YouTube videos, slide shows, filmstrips, audio recordings, multimedia presentations, or exhibits where visual imagery, sound, or both are an integral part. "Production" refers to the steps and techniques used to create a finished audiovisual product, including, but not limited to, design, layout, scriptwriting, filming or taping, fabrication, sound recording, and editing.

- A recipient with in-house production capability must determine whether it would be more efficient and economical to use that capability or to contract for the production of an audiovisual.
- In accordance with 7 CFR 3015.200, an acknowledgement of Federal support and a disclaimer may be placed on any audiovisual which has a direct production cost to the recipient over \$5,000.
- If the recipient chooses to add an acknowledgement of support, it must read as follows:
 - This publication [or project] was supported by the Specialty Crop Block Grant Program at the U.S. Department of Agriculture (USDA) through the Vermont Agency of Agriculture, Food & Markets (VAAFMM) with grant {Insert Grant Agreement Number}. Its contents are solely the responsibility of the authors and do not necessarily represent the official views of the USDA or VAAFMM.
- Note that USDA symbols or logos are intended for the official use of the United States Department of Agriculture only. They are expressly excluded from use to imply endorsement of a commercial product or service. The symbol or logo may not be used by anyone outside of USDA without permission.

Communication Costs

Allowable. However, such costs incurred for telephone services, local and long distance telephone calls, telegrams, postage, messenger, electronic or computer transmittal services and the like are usually treated as indirect costs. The Vermont Specialty Crop Block Grant Program cannot fund indirect costs.

Construction and Renovation and Land or Building Acquisition

Unallowable 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).

Building is defined as any permanent structure that is designed or intended for support, enclosure, shelter or protection of person, animals or property having a permanent roof that is supported by columns or walls.

Conferences

Allowable for costs of conferences. A conference is defined as a meeting, retreat, seminar, symposium, workshop or event whose primary purpose is the dissemination of technical information beyond the recipient and is necessary and reasonable for successful performance under the award. Allowable conference costs paid by the 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 those fees as program income (See also **Program Income**). AMS SCBGP encourages the use of technologies such as webinars, teleconferencing, or videoconferencing as an alternative to renting a building or a room.

Contingency Provisions

Unallowable for contributions to a contingency reserve or any similar provision made for events the occurrence of which cannot be foretold with certainty as to time, intensity, or with an assurance of their happening.

Contractual and Consultant Costs (Professional Services)

Allowable subject to limitations below. Contractual/consultant costs are the expenses associated with purchasing goods and/or procuring services performed by an individual or organization other than the applicant in the form of a procurement relationship.

The following factors are relevant in determining the allowability of contractual/consultant costs:

- (1) The nature and scope of the service rendered in relation to the service required.
- (2) The necessity of contracting for the service, considering the recipient's capability in the particular area.
- (3) The past pattern of such costs, particularly in the years prior to Federal awards.
- (4) The impact of Federal awards on the recipient's business (i.e., what new problems have arisen).
- (5) Whether the proportion of Federal work to the recipient's total business is such as to influence the recipient's in favor of incurring the cost, particularly where the services rendered are not of a continuing nature and have little relationship to work under Federal awards.
- (6) Whether the service can be performed more economically by direct employment rather than contracting.
- (7) The qualifications of the individual or concern rendering the service and the customary fees charged, especially on non-federally funded activities.
- (8) Adequacy of the contractual agreement for the service (e.g., description of the service, estimate of time required, rate of compensation, and termination provisions).

Allowable for contractor/consultant employee rates that do not exceed the salary of a GS-15 step 10 Federal employee in your area (for more information please go to <http://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/2014/generalschedule/>). This does not include fringe benefits, travel, indirect costs, or other expenses. Note that the Vermont Specialty Crop Block Grant Program cannot fund indirect costs. If rates exceed this amount, one of the following justifications must be provided:

- A description of the steps you took to hire a contractor, which includes obtaining a cost/price analysis. The purpose of the analysis is to review and evaluate each element of cost to determine reasonableness, allocability, and allowability; **OR**

- Due to the complexity or uniqueness of the project, the pool of available and qualified contractors is limited. Therefore, the selected contractor's specialized qualifications necessitate hiring at a rate beyond a GS-15 step 10. (Please outline the unique qualifications of the contractor.)

Documentation for consultants maintained by the receiving organization must include the name of the consulting firm or individual consultant; the nature of the services rendered and their relevance to the grant-supported activities, if not otherwise apparent from the nature of the services; the period of service; the basis for calculating the fee paid (e.g., rate per day or hour worked or rate per unit of service rendered); the amount paid; and termination provisions. This information may be included in the consultant's invoice, in the report, or in another document.

Contributions or Donations

Unallowable for contributions or donations, including cash, property, and services, from the recipient to other entities. A non-profit entity using grant funds to purchase produce to donate to other entities and individuals is unallowable.

Depreciation or use allowances

Unallowable for depreciation or use charges on any portion of the cost of acquired under the AMS SCBGP.

Dues or Membership Fees

Allowable as an indirect cost for organizational membership in business, professional, or technical organizations or societies. Payment of dues or membership fees for an individual's membership in a professional or technical organization is allowable as a fringe benefit or an employee development cost, if paid according to an established organizational policy consistently applied regardless of the source of funds.

Entertainment

Unallowable. 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 - General Purpose

Unallowable for purchase costs but allowable for rental costs. "General purpose equipment" is tangible personal property having a useful life of more than one year and a per-unit acquisition cost which equals or exceeds \$5,000, and is used for other than research, scientific or other technical activities. Acquisition cost is defined as the net invoice price of the equipment, including the cost of any modifications, attachments, accessories, or auxiliary apparatus necessary to make it usable for the purpose for which it is acquired. Examples include office equipment and furnishings, modular offices, telephone networks, information technology equipment and systems, tractors, reproduction and printing equipment, and motor vehicles.

Unallowable for purchase even if the AMS SCBGP share is less than \$5,000 of the general purpose equipment that costs \$5,000 or more. For policies governing the allowability of costs for rental of equipment, see **Rental or Lease Costs of Buildings, Vehicles, Land and Equipment** in this appendix.

Equipment - Special Purpose

Allowable provided the equipment with a unit cost of \$5,000 or more has prior approval from AMS SCBGP and meets the following conditions. Review **8.0 Changes Requiring Prior Approval**. (See <http://1.usa.gov/1z9QUjs>.)

“Special purpose equipment” is tangible personal property having a useful life of more than one year and a per-unit acquisition cost which equals or exceeds \$5,000, and is used only for research, scientific, or other technical activities. Acquisition cost is defined as the net invoice price of the equipment, including the cost of any modifications, attachments, accessories, or auxiliary apparatus necessary to make it usable for the purpose for which it is acquired. Ancillary charges, such as taxes, duty, protective in transit insurance, freight, and installation may be included in or excluded from the acquisition cost in accordance with the non-Federal recipients’ regular accounting practices.

Capital expenditures (expenditures to acquire, make additions, improvements, modifications, replacements, rearrangements, reinstallations, renovations, or alterations that materially increase the value or useful life) for special purpose equipment are allowable as direct costs, provided the following criteria is met:

- (1) Necessary for the research, scientific, or other technical activities of the grant
- (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 practice
- (5) Must only be used to solely enhance the competitiveness of specialty crops
- (6) The specialty crop industry, rather than a 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
- (8) The recipient that acquired the equipment with AMS SCBGP funds and the State department of agriculture awarding funds for the equipment must understand the non-federal recipient is subject to the full range of acquisition, use, management, and disposition requirements of **7 CFR parts 3019.34 and 3019.35** or **7 CFR parts 3016.32 and 3016.33** as applicable. (See <http://www.ecfr.gov/>.)

Recipients purchasing any special purpose equipment are encouraged to use such funds to purchase only American-made equipment or products. For policies governing the classification, use, management, and disposition of equipment, review **10.0 Property Management** in *SCBGP General Award Terms and Conditions* at <http://1.usa.gov/1z9QUjs>. For policies governing the allowability of costs for rental of equipment, see **Rental or Lease Costs of Buildings, Vehicles, Land and Equipment** in this appendix.

Fines, Penalties, Damages, and Other Settlements

Unallowable for costs resulting from non-Federal entity violations of, alleged violations of, or failure to comply with, Federal, state, tribal, local or foreign laws and regulations, except when incurred as a result of compliance with specific provisions of the Federal award, or with prior written approval of the AMS SCBGP.

Foreign Travel

Allowable with prior approval from AMS. Review **8.0 Changes Requiring Prior Approval** in *SCBGP General Award Terms and Conditions* at <http://1.usa.gov/1z9QUjs>.

Each separate foreign trip must receive prior approval from the AMS SCBGP. For purposes of this provision, “foreign travel” includes any travel outside Canada, Mexico, the United States, and any United States territories and possessions. However, the term “foreign travel” for a governmental unit located in a foreign country means travel outside that country. An applicant with a proposal that involves foreign market development must determine if the project is more appropriate for grant programs administered by the Foreign Agricultural Service or funded through the State-Regional Trade Groups. AMS SCBGP recommends that applicants search the Foreign Agricultural Service data base of GAIN reports (<http://gain.fas.usda.gov/Pages/Default.aspx>) to ensure that proposals will not duplicate information that already exists. Any proposal involving foreign travel must be well justified. See **Travel** and **General Costs of Government** in this appendix for more information on travel costs and restrictions.

Fundraising

Unallowable 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.

Goods or Services for Personal Use

Unallowable for costs of goods or services for personal use of the recipient’s employees regardless of whether the cost is reported as taxable income to the employees.

Health and Nutrition Messaging

Allowable when health and nutrition information complies with regulations and policies of the:

- Federal Trade Commission

<http://www.ftc.gov/about-ftc/bureaus-offices/bureau-consumer-protection>; **AND**

- U.S. Food and Drug Administration
<http://www.fda.gov/Food/IngredientsPackagingLabeling/LabelingNutrition/default.htm>.

Nutrition and health claims must be truthful, not misleading or deceptive, and include adequate disclaimers if appropriate.

Information Technology Systems

Allowable for website development, mobile apps, etc.

Unallowable for information technology systems having a useful life of more than one year and a per-unit acquisition cost which equals or exceeds the lesser of the capitalization level established in accordance by generally accepted accounting principles (GAAP) by the non-Federal recipient for financial statement purposes or \$5,000. Acquisition cost is defined as the cost of the asset including the cost to ready the asset for its intended use. Acquisition costs for software includes those development costs capitalized in accordance with GAAP. (See <http://1.usa.gov/1z9QUjs> for additional detail.)

Insurance and Indemnification

Insurance associated with the purchase and maintenance of insurance and indemnification (liability protection) is usually treated as an indirect cost when it is used in connection with allowable grant activities. In certain situations where special insurance is required as a condition of the grant because of risks peculiar to the project, the premium may be charged as a direct cost if doing so is consistent with organizational policy. Note that the Vermont Specialty Crop Block Grant Program cannot fund indirect costs.

The cost of insuring equipment, whether purchased with grant funds or furnished as federally owned property, normally should be included in indirect costs but may be allowable as a direct cost if this manner of charging is the normal organizational policy. Additional restrictions and exceptions apply, so consult the applicable cost principles.

Invention, Patent, or Licensing Costs

May be allowable provided that costs are authorized under applicable cost principles. Such costs include licensing or option fees, attorney's fees for preparing or submitting patent applications, and fees paid to the U.S. Patent and Trademark Office for patent application, patent maintenance, or recordation of patent-related information.

Investment Management Cost

Unallowable for costs of investment counsel and staff and similar expenses incurred to enhance income from investments.

Lobbying

The recipient should obtain an advance understanding with the AMS SCBGP if it intends to engage in certain activities intended to influence Federal, State or local government entities. (See <http://1.usa.gov/1z9QUjs> for further detail.)

Meals

Unallowable 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.

Unallowable for breakfasts for conference attendees because it is expected these individuals will have sufficient time to obtain this meal on their own before the conference begins in the morning.

Unallowable for meal costs that are duplicated in meeting participant's per diem or subsistence allowances.

Allowable 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.

Allowable for meals consumed while in official travel status. They are considered per diem expenses and should be reimbursed in accordance with the organization's established written travel policies.

Organization Costs

Unallowable for costs such as incorporation fees, brokers' fees, fees to promoters, organizers or management consultants, attorneys, accountants, or investment counselor, whether or not employees of the non-Federal entity in connection with establishment or reorganization of an organization, except with prior approval of the AMS SCBGP.

Participant Support Costs

Allowable for such items as stipends or subsistence allowances, and registration fees paid to or on behalf of participants or trainees (but not employees) in connection with approved conferences, training projects, and focus groups. See also **Advertising and Public Relations - Coupons, Incentives or Other Price Discounts**.

Political Activities

Unallowable 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 (Pre-Agreement Costs)

Allowable, if such costs are necessary to conduct the project or program, and would be allowable under the grant, if awarded. A recipient may incur pre-award costs without prior approval from AMS SCBGP at its own risk. The incurrence of pre-award costs in anticipation of an award imposes no obligation on the AMS SCBGP to award funds for such costs.

Proposal Costs

Generally considered an indirect cost. The Vermont Specialty Crop Block Grant Program cannot fund indirect costs.

Publication and Printing Costs and Acknowledgement of Support

Allowable for publication costs for electronic and print media, including distribution, promotion, and general handling. Publication costs also include page charges in professional publications. If these costs are not identifiable with a particular cost objective, they should be allocated as indirect costs to all benefiting activities of the recipient. Page charges for professional journal publications are allowable as a necessary part of research costs where: (1) the research papers report work supported by the Federal Government; and (2) the charges are levied impartially on all research papers published by the journal, whether or not by federally-sponsored authors. Note that the Vermont Specialty Crop Block Grant Program cannot fund indirect costs.

- In accordance with 7 CFR 3015.200, an acknowledgement of Federal support and a disclaimer may appear in the publication of any material, whether copyrighted or not, based on or developed under a project. If the recipient chooses to add an acknowledgement of support, it must read as follows:
 - This publication [or project] was supported by the Specialty Crop Block Grant Program at the U.S. Department of Agriculture (USDA) through grant {Insert Grant Agreement Number}. Its contents are solely the responsibility of the authors and do not necessarily represent the official views of the USDA.
- Note that USDA symbols or logos are intended for the official use of the United States Department of Agriculture only. They are expressly excluded from use to imply endorsement of a commercial product or service. The symbol or logo may not be used by anyone outside of USDA without permission.

Registration Fees

Allowable for attendance at conferences, symposiums, or seminars if necessary to accomplish project or program objectives.

Rental or Lease Costs of Buildings, Vehicles, Land and Equipment

Allowable to the extent that the rates are reasonable in light of such factors as: rental costs of comparable property, vehicle, land or equipment, if any; market conditions in the area; alternatives available; and the type, life expectancy, condition, and value of the property, vehicle, land or equipment leased. The recipient should review rental arrangements periodically to determine if circumstances have changed and other options are available.

Allowable for rental costs under leases that create a material equity in the leased property, as defined in the applicable cost principles, only up to the amount that would be allowed had the recipient purchased the property on the date the lease agreement was executed. This would include depreciation or use allowances, maintenance, taxes, and insurance, but would exclude unallowable costs.

When a recipient transfers property to a third party through sale, lease, or otherwise and then leases the property back from that third party, the lease costs that may be charged to an AMS SCBGP grant generally may not exceed the amount that would be allowed if the recipient continued to own the property.

Allowable for rental costs under “less-than-arms-length” leases only up to the amount that would be allowed under the applicable cost principles had title to the property been vested in the recipient. A less-than-arms-length lease is one in which one party to the lease agreement is able to control or substantially influence the actions of the other. Such leases include, but are not limited to, those between divisions of an organization; between organizations under common control through common officers, directors, or members; and between an organization and its directors, trustees, officers, or key employees (or the families of these individuals), directly or through corporations, trusts, or similar arrangements in which they hold a controlling interest.

Salaries, Wages, and Fringe Benefits

Allowable as part of employee compensation for personnel services in proportion to the amount of time or effort an employee devotes to the grant-supported project or program during the period of performance 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-supported projects or programs 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). Briefly summarized, acceptable systems are below.

Unallowable for salaries, wages and fringe benefits for project staff that devote time and effort to non-specialty crop specific venues, tradeshows, events, meetings, programs, conventions, symposia, seminars, etc. where costs cannot be specifically identified and easily and accurately traced to activities that solely enhance the competitiveness of specialty crops.

- Example: Salaries and wages for a farmers market manager to manage and advertise a farmers market that includes non-specialty crop items is unallowable, while salaries and wages for personnel to conduct a cooking demonstration on how to prepare fruits and vegetables is allowable

Scholarships and Student Aid Costs

Allowable for costs of scholarships, fellowships, and other programs of student aid only when the purpose of the Federal award is to provide training to selected participants. However, tuition remission and other forms of compensation paid as, or in lieu of, wages to students performing necessary work are allowable provided that:

- The individual is performing activities necessary to the grant;
- Tuition remission and other forms of compensation are consistently provided in accordance with established institutional policy and consistently provided in a like manner to students in return for similar activities conducted in under Federal awards as well as other activities;
- During the academic period, the student is enrolled in an advanced degree program at a non-Federal entity or affiliated institution and the activities of the student in relation to the federally sponsored research project are related to the degree program;
- The tuition or other payments are reasonable compensation for the work performed and are conditioned explicitly upon the performance of necessary work; and
- It is the institution's practice to similarly compensate students under Federal awards as well as other activities.

Charges for tuition remission and other forms of compensation paid to students as, or in lieu of, salaries and wages are subject to the reporting requirements in Appendix A, J.10 of 2 CFR part 220, or an

equivalent method for documenting the individual's effort on the project. Tuition remission may be charged on an average rate basis. (See <http://www.ecfr.gov/>.)

Supplies and Materials, Including Costs of Computing Devices

Allowable 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. (See <http://1.usa.gov/1z9QUjs> for additional detail.) For policies governing the classification, use, management, and disposition of supplies, review **10.0 Property Management** in *SCBGP General Award Terms and Conditions* at <http://1.usa.gov/1z9QUjs>.

Training and Education

Allowable when the training and education is required to meet the objectives of the project or program.

Travel

Allowable when travel costs are limited to those allowed by formal organizational policy; in the case of air travel, the lowest reasonable commercial airfares must be used. Recipients are strongly encouraged to take advantage of discount fares for airline travel through advance purchase of tickets if travel schedules can be planned in advance. Recipients should consider the use of alternative technologies such as teleconferencing or videoconferencing if they are available, appropriate for the project, and less costly.

Recipients that do not have formal travel policies and for-profit recipients' allowable travel costs may not exceed those established by the Federal Travel Regulation, issued by GSA, including the maximum per diem and subsistence rates prescribed in those regulations. This information is available at <http://www.gsa.gov>. If a recipient organization has no formal travel policy, these regulations will be used to determine the amount that may be charged for travel costs.

Unallowable for travel costs for conferences, venues, tradeshow, events, meetings, programs, conventions, symposia, workshops seminars, etc. that include non-specialty crop activities, such as farmers' market annual conferences and general marketing tradeshow, where these costs cannot be specifically identified and easily and accurately traced to activities that solely enhance the competitiveness of specialty crops.

- Example: Travel costs for personnel to travel to a farmers market conference is unallowable, while travel to a vegetable food safety educational session is allowable.

Appendix D: Examples of Past Awards

Effectiveness of Triple Washing or Organic Sanitizer Treatment in Reducing E. coli Levels in Leafy Green Wash Water*

The Vermont Agency of Agriculture, Foods & Markets partnered with the University of Vermont (UVM) to improve produce safety by determining the effectiveness of various procedures in reducing *Escherichia coli* (E. coli) levels in leafy green wash water. UVM's water wash study determined that produce washes beyond the first wash greatly reduced the amount of E. coli in wash water. On average, E. coli levels decreased 88% with double washing and 97% with triple washing, demonstrating that large reductions are possible without the addition of sanitizer. The addition of an OMRI-approved sanitizer at concentrations recommended by the manufacturer most successfully and consistently reduced E. coli counts (99.8%). These findings will help leafy greens growers reduce bacterial cross-contamination in wash water, thereby reducing food safety risks to consumers.

Local Purchasing Best Practices*

The Vermont Agency of Agriculture, Foods & Markets partnered with the Northeast Organic Farming Association of Vermont (NOFA-VT) to help schools integrate local purchasing of fresh food in their school food programs and integrate nutrition education into their curriculum. NOFA-VT conducted four workshops highlighting seasonal specialty crops; approximately 250 individuals, representing 30 schools and numerous farms, participated in the workshops. Workshop evaluations showed that 60–65% of respondents were more aware of how to incorporate local fruit and vegetables into their menus thanks to their participation in the workshops. The workshops also provided a substantial networking opportunity, and participants reported that, on average, they made at least two connections with people within their region that could help them develop or advance their farm to school programs.

Marketing Assistance for Value-Added Producers

The Vermont Agency of Agriculture, Foods & Markets partnered with the Vermont Specialty Foods Association to promote specialty crops at the 2014 Summer Fancy Food Show, a signature annual event for the specialty foods industry. To highlight Vermont specialty crops, the Vermont Specialty Foods Association and Vermont Agency of Agriculture hosted a chef-led demonstration featuring an array of products—from jams and jellies to pure Vermont maple syrup. In addition, staff promoted Vermont agritourism, encouraging visitors to plan their trip at www.diginvt.com. Specialty Crop Block Grant Program funding was matched by the Vermont Dairy Promotion Council and the Vermont Specialty Foods Association. Funding also supported an export seminar titled “Tapping into the Canadian Market.” All of the business participants made products that consist of at least 50% specialty crops, including maple products, salsas, and dried jalapeno chips. Funds were used to bring in a Canadian market specialist who could provide technical assistance and market intelligence to specialty crop producers interested in accessing customers north of the border.

*Adapted from Agricultural Marketing Service, United States Department of Agriculture, Summer/Fall 2014 Educational Bulletin, vol. 7, iss. 2 (2014): 8.