

USDA Specialty Crop Block Grant Program

Guidelines, Instructions and Application

Enhancing Specialty Crops in Kansas

Administered by
Kansas Department of Agriculture
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GUIDELINES

Program Authority

On December 21, 2004, the Specialty Crops Competitiveness Act of 2004 (7 U.S.C. 1621 note) authorized the United States Department of Agriculture to provide grants to state departments of agriculture solely to enhance the competitiveness of specialty crops.

The Food, Conservation and Energy Act of 2008 amended the Specialty Crops Competitiveness Act of 2004 and authorized USDA to provide grants to states for each of the fiscal years 2008 through 2012 to enhance the competitiveness of specialty crops.

Each state that submits an application that is reviewed and approved by USDA's Agricultural Marketing Service is to receive at least an amount that is equal to the higher of \$100,000 or one-third of 1 percent of the total amount of funding made available for that fiscal year. In addition, AMS will allocate the remainder of the grant funds based on the value of specialty crop production in each state in relation to the national value of specialty crop production using the latest available cash receipt data.

Eligible Specialty Crops

Specialty crops are defined in law as "fruits and vegetables, tree nuts, dried fruits and horticulture and nursery crops, including floriculture." USDA's Agricultural Marketing Service list plants commonly considered fruits and tree nuts, vegetables, culinary herbs and spices, medicinal plants, and nursery, floriculture, and horticulture crops on its website at www.ams.usda.gov/AMSV1.0/scbgpdefinitions.

Funding Source

USDA's Agricultural Marketing Service provides funds to the Kansas Department of Agriculture to enhance the competitiveness of specialty crops in the state. For state fiscal year 2011, the Kansas Department of Agriculture will have approximately \$281,914 in grant funds to allocate. The department will award several grants from the allocation. Grant awards will be considered up to a maximum of \$75,000.

Application Due Date

Grant applications must be submitted to KDA by **5 p.m. on July 1, 2010**. This is not a postmark deadline; applications must be received by KDA no later than 5 p.m. on July 1. No late or incomplete applications will be accepted. One hard copy must be mailed or faxed to the department by 5 p.m. on July 1. In addition to the hard copy, the application must be e-mailed to Stacey Woolington at stacey.woolington@kda.ks.gov. If you have questions, call (785) 296-3558.

Mailing Address:

Kansas Department of Agriculture
109 S.W. 9th Street, 4th Floor
Specialty Crop Program
Topeka, KS 66612-1280

Fax Number:

(785) 296-8389

Eligible Grant Projects

Enhance the Competitiveness of U.S. or U.S. Territory Grown Specialty Crops

The Kansas Department of Agriculture is looking for grant projects **solely** to enhance the competitiveness of specialty crops related to the following issues affecting the specialty crop industry: increasing child and adult nutrition knowledge and consumption of specialty crops; participation by industry representatives at meetings of international standard setting bodies in which the U.S. government participates; improving efficiency and reducing costs of distribution systems; helping all entities in the specialty crop distribution chain develop “good agricultural practices,” “good handling practices,” “good manufacturing practices” and for cost-share arrangements for funding audits of such systems for small farmers, packers and processors; investing in specialty crop research, including organic research to focus on conservation and environmental outcomes; enhancing food safety; developing new and improved seed varieties and specialty crops; pest and disease control; sustainability; and other pertinent issues dealing with the specialty crop industry.

Benefit More Than One Product or Organization

Applications for grant funds should show how the project potentially impacts and produces measurable outcomes for the specialty crop industry and/or the public rather than a single organization, institution or individual. Grant funds will not be awarded for projects that solely benefit a particular commercial product or provide a profit to a single organization, institution or individual. Single organizations, institutions and individuals are encouraged to participate as project partners.

Following are some examples of acceptable and unacceptable projects:

Examples of Unacceptable Projects

- A project requests grant funds to purchase starter plants or equipment used to plant, cultivate and grow a specialty crop for the purpose of making a profit, or to expand production of a single business.
- A project requests grant funds to make grants to individual specialty crop businesses or roadside stands to promote their individual business.
- A project requests grant funds to pay solely for labor of a specialty crop project.

Examples of Acceptable Projects

- A university request 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 many growers throughout the state.
- A project requests grant funds to help improve and expand domestic farmers markets, which benefits a wide array of specialty crop producers.
- A single grower requests funds to demonstrate the viability of organic small fruit production and partners with Cooperative Extension to publicize the working model of diversification to other regional growers.
- A single company requests funds to provide a viable pollination alternative to specialty crop stakeholders in a region that currently does not have one.
- A single specialty crop organization requests funds to conduct an advertising campaign that will benefit their specialty crop members.
- A single farmer erects high tunnels on his or her property to extend the growing season of tomatoes and lettuce, and the farmer conducts a field day.

Multistate Partnerships

Multistate projects are encouraged to fill a growing need for solutions to problems that cross state boundaries, like addressing good agricultural practices, research on crop productivity or quality, enhancing access to federal nutrition programs, pest and disease management, or commodity-specific projects addressing common issues in multistate regions.

Grant Administration

KDA applies the following federal grant uniform administrative requirements for managing each grant award. A link is provided to each of these documents.

- State and local governments and Indian tribal governments—[7 CFR 3015](#) and [7 CFR 3016](#)
- Colleges and universities—[7 CFR 3015](#) and [7 CFR 3019](#)
- Nonprofits—[7 CFR 3015](#) and [7 CFR 3019](#)
- For profits—[7 CFR 3015](#) and [7 CFR 3019](#)

Allowable Costs

All awards are subject to those cost principles applicable to the particular organization. For example, if a state government subawards to a university, the cost principles applicable to a university will apply. Please refer to the applicable cost principles when developing your project activities and budget. All costs must be associated with project activities that enhance the competitiveness of specialty crops.

- [State and local governments and Indian tribal governments—2 CFR 225 \(OMB circular A-87\). See Appendix B unallowable and allowable costs for state governments, for specific unallowable and allowable costs under the SCBGP-FB for state governments.](#)
- [Colleges and universities—2 CFR 220 \(OMB Circular A-21\).](#)
- [Nonprofits—2 CFR 230 \(OMB Circular A-122\).](#)
- [For profits—48 CFR Part 31.2.](#)

Restrictions and Limitations on Grant Funds

Grant funds supplement the expenditure of state funds in support of specialty crops grown in that state, rather than replace state funds.

Grant funds may not be used to fund political activities in accordance with provisions of the Hatch Act (5 U.S.C. 1501-1508 and 7321-7326).

Developing or participating in lobbying activities pursuant to 31 U.S.C. 1352, including costs of membership in organizations substantially engaged in lobbying, are not allowed.

Capital expenditures for general purpose equipment, buildings and land are not allowed as direct and indirect charges.

Capital expenditures means expenditures for acquiring capital assets (equipment, buildings, land), or expenditures to make improvements to capital assets that materially increase their value or useful life. Acquisition cost means the cost of the asset including the cost to put it in place. Acquisition cost for equipment, for example, means 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 governmental unit's regular accounting practices.

General purpose equipment means equipment, which is not limited to research, scientific or other technical activities. Examples include office equipment and furnishings, telephone networks, information technology equipment and systems, reproduction and printing equipment, and motor vehicles.

Equipment means an article of nonexpendable, tangible personal property having a useful life of more than one year and an acquisition cost that equals or exceeds \$5,000.

Capital expenditures for special purpose equipment are allowable as direct costs, provided that items with a unit cost of \$5,000 or more have the prior approval of USDA-AMS.

Special purpose equipment means equipment used only for research, scientific, or other technical activities. The special purpose equipment must solely enhance the competitiveness of eligible specialty crops and benefit the specialty crop industry.

Rental costs of buildings and equipment are allowed as direct costs in accordance with the cost principles in Subpart T of 7 CFR 3015.

How the Grant Project Will be Evaluated

Grant projects that meet all the requirements listed in this publication will be evaluated by a panel selected by the Kansas secretary of agriculture. No incomplete applications will be accepted. The panel will score applications that meet all the requirements by using the rubric on the next page. Panelists will then provide their comments on the applications to the secretary. The secretary will make the final decision on what projects receive funding.

Project Evaluation Rubric

All proposals will be reviewed by a review panel that is appointed by the Kansas secretary of agriculture. The Kansas secretary of agriculture will make the final decision, based on recommendations from the panel.

Project Area	Criteria	Maximum Points Awarded	Points Received
Project Need	<ol style="list-style-type: none"> 1. How effective is the project at enhancing the competitiveness of specialty crops in Kansas? 2. Does the project have long-term benefits to help increase specialty crop production in Kansas? 3. Does the project help increase the sale or awareness of specialty crops; provide research on a specialty crop dealing with increasing production, distribution or process; or help specialty crop producers improve distribution or production practices, or lower production cost/risk? 	35	
Measurable Outcomes	<ol style="list-style-type: none"> 1. Is there at least one quantifiable, measurable outcome? 2. Are the outcomes definable and measurable? 3. Are the outcomes of the project worth the total investment? 4. Is there outreach to share information learned with the public? 	25	
Budget	<ol style="list-style-type: none"> 1. Is the budget realistic for the project, and are expenses reasonable for the project? 2. Is there a detailed budget for personnel, operating, consultants and other costs? 	15	
Feasibility	<ol style="list-style-type: none"> 1. Does the project have a quality work plan? 2. Is the project's timeline appropriate? 	10	
Industry Support	<ol style="list-style-type: none"> 1. Is there evidence of industry-wide support for the program? 2. Does the project partner with other organizations/institutions? 	10	
Matching Funds	<ol style="list-style-type: none"> 1. Are there matching funds or in-kind donations for the project? 	5	
Total		100	

INSTRUCTIONS

Application Procedures and Requirements

Each proposal must include the following documents. Complete all information requested. Incomplete proposals that do not satisfy all the requirements are at risk of being disqualified and returned to the proposing organization without review. All applications must be typed using a 12 point font size. Please include a page number and the project title at the bottom of each page of the application.

1. Cover Page, Project Title and Abstract

- Use the included KDA cover page.
- Project title should adequately describe the project.
- There is space on the cover page for the project abstract that is 200 words or less. The project must contain a summary of the proposed project suitable for dissemination to the public. It should be a self-contained description of the project and contain a statement of objectives and methods to be employed.

2. Project Purpose

- The following questions should be addressed:
 - What is the specific issue, problem or need to be addressed by the project?
 - Why is the project important and timely?
 - What are the project's objectives?
 - If the project is a state marketing program, how will the state ensure that funding is being used to solely enhance the competitiveness of eligible specialty crops?
 - If the project builds on a previously approved project, how does this project compliment work done previously? Provide a summary (three to five sentences per project) of the results of the completed work on this project, the long-term quantifiable effects of these results (especially their impact on the specialty crop industry) and how this year's funding will supplement or build on previous funding for the program.
 - Has the project been submitted to, or funded by, another federal or state program?

3. Potential Impact

- This section should show how the project potentially impacts the specialty crop industry and/or the public rather than a single organization, institution, or individual. The following questions should be answered.
 - Who are the beneficiaries of the project?
 - How many beneficiaries will be impacted?
 - How will the beneficiaries be impacted by the project?
 - What is the potential economic impact of the project, if available?

4. Expected Measurable Outcomes

- The following questions should be answered.
 - What is at least one distinct, quantifiable and measurable outcome that directly and meaningfully supports the project's purpose and is of direct importance to the intended beneficiaries? The measurable outcome, when possible, should include the following:
 - Goal
 - Performance measure
 - Benchmark
 - Target
 - How will performance toward meeting the outcome(s) be monitored?
 - Define your data sources are
 - How will data be collected
 - If using a survey, provide information on the nature of the questions that will be asked, the methodology to be used, and the population to be surveyed
 - If a draft questionnaire is available, you may want to include a copy.
 - How will data gathered be used to correct deficiencies and improve performance, both as it is gathered and analyzed and in subsequent project periods?

Examples of outcome measures include: per capita consumption, consumer awareness as a percent of target market reached, market penetration based on sales by geographic region, dollar value exports, or website hits. For research grants they may include generation of new knowledge, research quality, attainment of leadership in the field, or the development of human resources (e.g. providing opportunities for graduate students).

5. Work Plan

- For each project, explain briefly the activities that will be performed to accomplish the objectives of the project.
- Indicate who will do the work of each activity.

6. Budget Narrative

- All requested budget items/activities should correlate to the purpose/goals of the project and demonstrate that they are reasonable and adequate for the proposed work.
- Provide sufficient information on budget in the following categories in a table format: personnel, fringe benefits, travel, equipment, supplies, contractual, other, and indirect.

- a. **PERSONNEL**—Persons employed by the subgrantee organization should be listed in this category. Those employed elsewhere would be listed as subcontractors or consultants and listed in the contractors/consultants section.

For secretarial and clerical salaries to be allowable as direct charges to the awards, a justification of how that person will be directly involved in the project must be included in the narrative. General administrative or accounting duties are not considered acceptable. The duties must be directly related to the project plan. For each project participant, indicate their title, percent of full time equivalents (FTE), and corresponding salary for the FTE. For example, if a project participant's salary is \$50,000 and they are participating 50 percent of their time on the project, the total budgeted salary cost would be \$25,000.

- b. **FRINGE BENEFITS**—Provide the rate of fringe benefits for each project participant's salary described in the personnel section.
- c. **TRAVEL**—Please provide the following information in the narrative, if applicable: destination; purpose of trip; number of people traveling; number of days traveling; estimated airfare costs; estimated ground transportation costs; estimated lodging and meals costs; estimated mileage costs for the travel.
- d. **EQUIPMENT**—This category includes items of property having a useful life of more than one year and an acquisition cost of \$5,000. If the cost is under \$5,000, then include these items under **SUPPLIES**.

Provide an itemized list of equipment purchases or rentals, along with a brief narrative on the intended use of each equipment item, and the cost for all the equipment purchases or rentals.

Capital expenditures for general purpose equipment, buildings and land are unallowable as direct and indirect charges.

- Capital expenditures means expenditures for acquiring capital assets (equipment, buildings, land), or expenditures to make improvements to capital assets that materially increase their value or useful life. Acquisition cost means the cost of the asset including the cost to put it in place. Acquisition cost for equipment, for example, means 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 governmental unit's regular accounting practices.
- General purpose equipment means equipment, which is not limited to research, scientific or other technical activities. Examples include office equipment and furnishings, telephone networks, information technology equipment and systems, reproduction and printing equipment, and motor vehicles.
- Equipment means an article of nonexpendable, tangible personal property having a useful life of more than one year and an acquisition cost that equals or exceeds \$5,000.

Capital expenditures for special purpose equipment are allowable as direct costs, provided that items with a unit cost of \$5,000 or more have the prior approval of KDA.

- Special purpose equipment means equipment used only for research, scientific, or other technical activities. The special purpose equipment must solely enhance the competitiveness of eligible specialty crops and benefit the specialty crop industry.

Rental costs of buildings and equipment are allowable as direct costs in accordance with the cost principles in Subpart T of 7 CFR 3015.

- e. **SUPPLIES**—This is anything with an acquisition cost under \$5,000 and could be anything from office supplies and software to educational or field supplies. For atypical materials and supplies items, include a brief narrative of how this fits with the project. Provide an itemized list and estimate the dollar amount for each item

For example, office supplies like pens, paper, toner, etc. - \$500; Gardening supplies such as soil and fertilizer - \$500. Items such as telephone, postage, fax and express mail are more appropriately listed under the "Other" category.

- f. **CONTRACTUAL**—Provide a short description of the services each contract covers and include the flat rate fee OR the total hourly rate fee for the contract.

Compensation for contractor/consultant services should be reasonable and consistent with that paid for similar services in the marketplace. Contractor/consultant rates must not exceed \$130,000, or \$500 per eight-hour day, excluding travel and subsistence costs.

If the contract is for service or maintenance, costs should be in direct correlation to the use of the equipment for the project (i.e., if a particular copy machine is used 50 percent of the time for the project, the project should only be charged 50 percent of the service contract paid from federal funds.)

- g. OTHER—Provide a detailed description of all other direct costs such as:
- Conferences/Meeting—Costs for holding a conference or meeting are included in this category. Some examples are for renting a facility or equipment for the meeting. Details of costs for each conference or meeting should be broken out and provided in the budget.
 - Meals may not be charged as project costs when individuals decide to go to lunch or dinner together when no need exists for continuity of a meeting. Such activity is considered to be an entertainment cost. Meals may be charged to the project if such activity maintains the continuity of the meeting and to do otherwise will impose arduous conditions on the meeting participants. Some examples of acceptable reasons are that the conference facility is located in a remote area where public facilities are not accessible; there will be a speaker and business discussions during the meal; there is insufficient time available to allow participants to go out on their own. If one or more of these justifications cannot be met, or if there are no other acceptable and compelling reasons, then the meals should not be charged to the award. The attendees should be responsible for providing their own meals.
 - Breakfast for conference attendees is usually considered unallowable as it is expected these individuals will have sufficient time to obtain this meal on their own before the conference begins in the morning. This does not apply to persons in travel status. When paying for the travel of a person to attend a conference, meals and lodging may be included in the cost without additional justification.
 - Communications—Mailings, postage, express mail, faxes and telephone long distance charges. Provide the estimated cost for this category.
 - Speaker/Trainer Fees—Provide the amount of the speaker's fees and a description of the services they are providing
 - Publication Costs—Provide the estimated cost of printing brochures and other program materials or scientific or technical journals.
 - Data collection—Provide the estimated cost of collecting performance data to measure the project outcome measures.
- h. INDIRECT CHARGES—Indicate percent of indirect costs.
- Indirect cost should not exceed 10 percent. Provide justification if indirect costs exceed 10 percent. Indirect costs are business expenses not readily identified with SCBGP-FB but are necessary for the general operation of the organization and implementing

SCBGP-FB related activities. These costs benefit more than one cost objective and cannot be readily identified with a particular final cost objective without effort disproportionate to the results achieved. Common indirect costs include: pre-award costs, proposal costs; depreciation or use allowances on buildings and equipment; costs of operating and maintaining facilities; general administration and general expenses; and personnel, legal, information technology, and accounting administration. A cost may not be allocated as an indirect cost if it is incurred for the same purpose under SCBGP-FB as a direct cost and vice versa (personnel/contractual, travel, equipment, supplies, etc.)

- i. PROGRAM INCOME—Indicate the nature or source of program income (for example registration fees).
 - If program income is earned, it may be used for: 1) expanding the project or program; 2) continuing the project or program after the grant or subgrant support ends; and 3) supporting other projects or programs that further the broad objectives of the grant program.

7. Project Oversight

Describe the oversight practices that provide sufficient knowledge of grant activities to ensure proper and efficient administration.

8. Project Commitment

Describe how all grant partners commit to and work toward the goals and outcome measures of the proposed project. Included any letters of support from industry to show how the project will enhance specialty crop production in the state.

9. Multistate Projects

If you are conducting a multistate project, describe how the states are going to collaborate effectively with related projects. Each state participating in the project should submit the project in their state plan indicating which state is taking the coordinating role and the percent of the budget covered by each state.

Additional Help

Tips on completing the application will be posted to KDA's Specialty Crop Block Grant web page at www.ksda.gov/kansas_agriculture/content/281. The page will be updated periodically to add examples of well-written outcomes and budget narratives, and to offer several other useful tips for filling out a specialty crop grant application.

APPLICATION

KDA Specialty Crop Block Grant Application Cover Sheet			
Name of Organization:			
Address:			
City:	State:	Zip Code:	
Federal Tax ID#			
Contact Name:			Title:
Phone:	Fax:	E-mail:	
Industry Sector and Specific Commodity/Food for Promotion (e.g. Tree Fruit: Apricots)			
Project Title:			
Funding From Other Sources (Please include if the project will be or has been submitted to or funded by another federal or state grant program. Include the dollar amount requested from that agency/organization.)			
Total Project Cost:	Grant Request:	Cash Match:	In-Kind Match:
Certification: I certify to the best of my knowledge that the information in this application is true and correct and that I am legally authorized to sign and submit this application on behalf of this organization, which is legally eligible to enter into a grant contract.			
_____ Printed Name of Authorized Signatory		_____ Signature	
_____ Title		_____ Date	

KDA Specialty Crop Block Grant Application Cover Sheet

Title of Project:

Abstract of Project (200 words or less).

Checklist of What to Include in the Specialty Crop Block Grant Application

**For more detailed guidance on what to include in each section, refer to the instructions section that begins on page 9.*

The total application should not be more than 20 pages. One application needs to be signed and faxed or mailed to KDA to arrive by **5 p.m. on July 1, 2010, and an electronic copy needs to be e-mailed to stacey.woolington@kda.ks.gov.*

1. KDA Specialty Crop Block Grant Application Cover Sheet and Abstract
2. Project Purpose
3. Potential Impact
4. Expected Measurable Outcomes
5. Work Plan
6. Budget Narrative
7. Project Oversight
8. Project Commitment
9. Multistate Projects

Contact Information

If you have questions about the application process, contact Stacey Woolington at (785) 296-3230 or stacey.woolington@kda.ks.gov.