

2023 Specialty Crop Block Grant Program - Farm Bill

Application Guidelines



Idaho State Department of Agriculture

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I. Introduction

The Idaho State Department of Agriculture (ISDA) is pleased to announce the competitive solicitation process to award Specialty Crop Block Grant Program (SCBGP) funds for projects that enhance the competitiveness of specialty crops in Idaho. The United States Department of Agriculture (USDA), Agricultural Market Service (AMS) has allocated these funds to the states and ISDA will be passing through funds as competitive grants.

There are no minimum or maximum limits on the amount of funds that can be requested for one project, but the average grant amount in the past has been between \$50,000-\$100,000.

The application deadline is **Sunday, March 5, 2023.**

The requirements and procedures listed below are based on federal rules and regulations for SCBGP funds. **Specialty crops are defined by USDA as fruits, vegetables, tree nuts, dried fruits, horticulture, nursery crops, and honey.** See USDA's website for a list of eligible specialty crops and ineligible commodities: <https://www.ams.usda.gov/services/grants/scbgp/specialty-crop> .

II. Eligible Entities

ISDA is seeking proposals from eligible non-profit organizations, local, state, and federal government entities, for-profit organizations, and universities for projects that aim to enhance the production and competitiveness of Idaho specialty crops.

III. Eligible Grant Projects

Limit each application to a single project scope. Each applicant may submit up to FOUR applications. If submitting more than one application, specify the priority of the projects.

A. Enhance the Competitiveness of U.S. Specialty Crops

To be eligible for a grant, the project(s) must enhance the competitiveness of U.S. specialty crops in either domestic or foreign markets.

Project areas may include, but are not limited to, the following issues affecting the specialty crop industry:

- Increasing child and adult nutrition knowledge and consumption of specialty crops
- Pest and disease control
- Sustainability
- Enhancing food safety
- Developing new and improved seed varieties and specialty crops
- Improving efficiency and reducing costs of distribution systems
- Improving the capacity of all entities in the specialty crop distribution chain to comply with the requirements of the Food Safety Modernization Act (21 U.S.C. Chapter 27), for example, developing "Good Agricultural Practices," "Good Handling Practices," "Good Manufacturing Practices," and in

cost-share arrangements for funding audits of such systems (including USDA GroupGAP) for small farmers, packers and processors

- Investing in specialty crop research, including research to focus on conservation and environmental outcomes

B. 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 whose products or services promote or provide profit that solely benefits a single organization, institution, or individual.*** Single organizations, institutions, and individuals are encouraged to participate as project partners.

The following are some examples of acceptable and unacceptable projects:

Example of an Unacceptable Project

- A company 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 single specialty crop organization requests grant funds to market its organization so that it can increase its membership.

Examples of Acceptable Projects

- A university requests funding 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 non-profit organization 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 the region, which 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 implements food safety practices or models on his/her property to meet food safety requirements and conducts a field day and training services to encourage other small family farmers to adopt the methods.

C. Completed by September 29, 2025

Projects must be completed by September 29, 2025. The start date is estimated to be sometime in November 2023 but varies depending upon the date the disbursement agreement is signed between the Sub Recipient and ISDA Director. No expenses may be incurred before or after the effective dates.

D. Multi-State Applications

There is a separate pool of funds for multi-state projects. The Specialty Crop Multi-State Program (SCMP) offers grants to enhance the competitiveness of specialty crops by funding collaborative, multi-state projects that address the following regional or national level specialty crop issues: food safety; plant pests and disease; research; crop-specific projects addressing common issues; and marketing and promotion. Applications are made to participating states. Idaho is not a participating state, but Idaho projects are eligible. For details, visit the SCMP program website: <https://www.ams.usda.gov/services/grants/scmp>

E. Letters of Support

Letters of support should be submitted with the application to show industry support. While letters of support are not mandatory, failure to have a letter showing industry support will hurt your scoring during the selection process. Letters of support do not count toward the fifteen (15) page limit.

IV. Application Procedures and Requirements

Applications must include the following:

- Application –Must use our application template and it must be **no more than fifteen (15) pages**
- Application Information Sheet (Exhibit A)
- Letters of Support (Optional)

Exhibit A and the Application are available on the ISDA website, www.agri.idaho.gov/scbg/. Letters of support may be submitted with your application, but **any other additional material will be discarded and not included in the review process.**

The Application Template includes various sections that must be filled out with an acceptable narrative of 11 or 12 pitch:

Expected Measurable Outcomes

- Must choose at least one of the seven outcomes listed in the “Application Outcome Measures and Indicators” on the ISDA SCBG website: <https://agri.idaho.gov/main/marketing/financial-assistance/idaho-specialty-crop-block-grant-program/>
- **Must select an outcome indicator for each measurable outcome selected**

Budget Narrative

- Provide sufficient detail in the space provided for the budget categories listed below. All requested budget items and activities should correlate to the purpose and goals of the project, as well as demonstrate that they are reasonable and adequate for the proposed work.
- If a project benefits products other than eligible specialty crops, the budget must clearly show how grant funds are being used to benefit specialty crops.
- Specify the total expenses for **each** budget category and **show how all numbers were calculated.**
- **Personnel**
For each participant funded with grant monies, indicate their title, the percent of full-time

equivalents (FTE) and the corresponding salary for the FTE, or the hourly wage and number of hours spent on the project.

- **Fringe Benefits**

Indicate the rate of fringe benefits for each salary. ISDA allows grant funds to be used toward fringe benefits for those employees listed in the personnel category as performing grant work. While fringe benefits such as employee medical benefits are allowed, ISDA does not allow reimbursement of student tuition.

- **Travel**

Indicate the destination, purpose of trip, number of people traveling, number of days traveling, total airfare costs, total ground transportation costs, total lodging and meals costs, and total mileage costs for the travel. Travel expenses must comply with the state of Idaho travel regulations found at www.sco.idaho.gov. Meals are only provided when in official travel status. The per diem allowance will only be paid for travel outside a 50-mile radius of the employee's primary work location and for travel in excess of 12 hours, or includes an overnight stay.

- **Equipment**

Indicate anticipated purchases or rental costs of equipment and its intended use. List separately each item of equipment, its intended use, and its cost. Please see Appendix B for restrictions and limitations on grant funds for further guidance on equipment.

- Capital expenditures for general purpose equipment, buildings, and land are unallowable as direct and indirect charges.
- 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 ISDA.
- Procure equipment using existing documented procurement procedures which may reflect applicable State, local and tribal law and regulations, provided that the procurements conform to applicable Federal law and the standards 2 CFR§ 200.318 through § 200.327. All procurement documentation must be submitted to ISDA for review and approval before these items will be reimbursed.
- If no existing documented procurement procedures are in place for your organization obtain three written bids for any expenditure of \$10,000.00 or more, according to the Idaho Administrative Rules pertaining to the Department of Administration, Division of Purchasing as found in IDAPA 38.05.01, and award the purchase to the lowest acceptable bid. All procurement documentation, including rejected bids must be submitted to ISDA for review and approval before these items will be reimbursed.
- Rental costs of buildings and equipment are allowable as direct costs in accordance with the cost principles in 2 CFR § 200.465.
- Capital expenditures for special purpose equipment that will ever be used for anything other than activities benefiting specialty crops are unallowable.

- **Supplies**

Provide an **itemized** list of projected supply expenditures and the **dollar amount for each item**.

- **Contractual**

Provide a short description of the services each contract covers and the flat rate fee or the total hourly rate. Compensation for individual consultant services should be reasonable and consistent with that paid for similar services in the marketplace. List general categories of items the contract covers such as professional services, travel, supplies, etc. Federal regulations for this grant require

contractor/consultant employee rates that do not exceed the salary of a GS-15 step 10 Federal employee in the area (for more information, visit the Office of Personnel Management website at OPM.gov), excluding travel and subsistence costs. Procure contractual services using existing documented procurement procedures which may reflect applicable State, local and tribal law and regulations, provided that the procurements conform to applicable Federal law and the standards 2 CFR§ 200.318 through § 200.327. All procurement documentation must be submitted to ISDA for review and approval before these items will be reimbursed.

- If no existing documented procurement procedures are in place for your organization obtain three written bids for any expenditure of \$10,000.00 or more, according to the Idaho Administrative Rules pertaining to the Department of Administration, Division of Purchasing as found in IDAPA 38.05.01, and award the purchase to the lowest acceptable bid. All procurement documentation, including rejected bids must be submitted to ISDA for review and approval before these items will be reimbursed.
- **Other**
Provide detailed descriptions of other costs such as conferences or meetings, communications, rental expenses, advertisements, speaker/trainer fees, publication costs, data collection, and other miscellaneous budgeted costs associated with the project.
- **Program Income**
If program income will be earned on any project, indicate the nature and source of program income and the estimated amount, and how the income will be used to further enhance the competitiveness of specialty crops. For example, if registration fees are being collected at a conference as part of the project, indicate the estimated amount of registration fees that will be collected, and describe how the registration fees will be used to enhance the competitiveness of specialty crops.

Submission Procedures

Applications must be emailed to the department no later than **Sunday, March 5, 2023**.

LATE APPLICATIONS WILL NOT BE ACCEPTED.

Applications not adhering to the procedures above will not be considered for funding.

Submit complete applications to:

Idaho State Department of Agriculture
Market Development Division
Attn: Brenden Meyet
Email: Brenden.Meyet@isda.idaho.gov
(208)332-8547

V. Administration of Grants

AMS applies the following federal grant uniform administrative requirements to the management of each grant award, and the Idaho State Department of Agriculture must in turn apply these requirements to subgrantees based on the type of organization through contractual or cooperative linkages. For example, if ISDA sub awards to a non-profit, the administrative requirements applicable to a non-profit will apply. 2 CFR 200—Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards. For-profit applicants must also comply with 48 CFR Subpart 31.2.

- State and Local Governments and Indian Tribal Governments- 2 CFR 200
- Colleges and Universities 2 CFR 200
- Non-Profits -2 CFR 200
- For Profits – 2 CFR 200 and 48 CFR 31.2

VI. Allowable Costs

All sub awards are subject to those cost principles applicable to the particular organization concerned. For example, if ISDA sub awards 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. Appendix A of this Agreement describes specific funding restrictions under the Specialty Crop Block Grant Program. However, this section is not intended to be all inclusive. Applicants should consult federal cost principles for the applicable organization for complete explanations of allow ability of costs. Please see 2 CFR 200 Subpart E for guidance with regard to allowable and unallowable costs for State, local governments, and Indian Tribal Governments; colleges and universities, and non-profits. See 48 CFR 31.2 for guidance with for-profit entities. **All costs must be associated with project activities that enhance the competitiveness of specialty crops.**

VII. Restrictions and Limitations on Grant 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).
- Development or participation in lobbying activities pursuant to 31 U.S.C. 1352, including costs of membership in organizations substantially engaged in lobbying, are unallowable costs.
- Capital expenditures for general purpose equipment, buildings, and land are unallowable.

Capital expenditures means expenditures to acquire capital assets or expenditures to make additions, improvements, modifications, replacements, rearrangements, reinstallations, renovations, or alterations 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 that 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 tangible personal property having a useful life of more than one year and an acquisition cost which equals or exceeds the lesser of the capitalization level established by the governmental unit for financial statement purposes, or \$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 ISDA and USDA, and that the item will only be used to benefit the competitiveness of specialty crops. Special purpose equipment means equipment which is used only for research, scientific, or other technical activities.
- Rental costs of buildings and equipment are allowable as direct costs in accordance with the cost principles in 2 CFR § 200.465.
- Indirect costs are not allowed for the State of Idaho’s Specialty Crop Block Grant Program.
- Tuition costs are not allowed for the State of Idaho’s Specialty Crop Block Grant Program.
- Fellowships are not allowed for the State of Idaho’s Specialty Crop Block Grant Program
- Publication costs are only allowable if in work plan and directly relate to specific project objectives. Registration fees/Conferences allowable only if in work plan and budget and if necessary to accomplish the project’s program objectives. Additionally, conferences are allowable if the primary purpose is dissemination of technical information and is reasonable for successful project performance under the grant.

VIII. Selection and Scoring Criteria

A selection committee will be made up of industry representatives and ISDA staff. Reviewers for individual applications will be selected to ensure there are no conflicts of interest. The committee will apply the below scoring criteria to each application.

Criteria for assessing the projects includes:	Maximum Points
Project Quality and Soundness	30
<ul style="list-style-type: none"> - How clear is the purpose of the activity? - How feasible and appropriate is the project? - How well does the proposed activity address the specified issue? - How capable are the project leaders and staff? - What level of commitment to the project does the applicant demonstrate? - How well does the project leverage available resources? - Is the budget well justified and appropriate? 	
Enhances the Competitiveness of Idaho Specialty Crops	25

<ul style="list-style-type: none"> - How effective will the project be at enhancing the competitiveness of Idaho specialty crops? - How relevant is the project to the Idaho specialty crop industry? - How significant are the long-term benefits? - How great is the need for the project? - How well does it provide for identified industry priorities? 	
Return on Investment	25
<ul style="list-style-type: none"> - How great is the potential economic impact on Idaho? - How well does the number of beneficiaries justify the amount of investment? - How reasonable and achievable are the anticipated outcomes? 	
Measurable Outcomes	20
<ul style="list-style-type: none"> - Does the project include at least one measurable outcome? - How well does the proposed project allow the applicant to quantify and document the project benefits and outcomes? - How significant is the outcome to the Idaho specialty crop industry? - How clear, appropriate, and realistic are the goals and objectives? 	

IX. Subrecipient Monitoring for Pass-Through Entities

If your organization is acting as a pass-through entity there are additional requirements you will need to perform to be in compliance with Federal regulations. To help determine if your entity is acting as a pass-through entity please refer to these relevant definitions:

- *2 CFR § 200.1 [Pass-Through Entity](#)* - a non-Federal entity that provides a subaward to a subrecipient to carry out part of a Federal program.
- *2 CFR § 200.1 [Subaward](#)* - an award provided by a pass-through entity to a subrecipient for the subrecipient to carry out part of a Federal award received by the pass-through entity. It does not include payments to a contractor or payments to an individual that is a beneficiary of a Federal program. A subaward may be provided through any form of legal agreement, including an agreement that the pass-through entity considers a contract.
- *2 CFR § 200.1 [Subrecipient](#)* - a non-Federal entity that receives a subaward from a pass-through entity to carry out a part of a Federal program; but does not include an individual that is a beneficiary of such program. A subrecipient may also be a recipient of other Federal awards directly from a Federal awarding agency.

The requirements for pass-through entities can be found in 2 CFR § 200.331. Federal code requires that pass-through entities perform the following (and provide documented proof to ISDA) in order to be in compliance with the federal regulations:

- Clearly identify the details of the subaward to the subrecipient. Include the following information in the required contract with your subrecipient:
 - Federal Award Identification
 - Federal Award Identification Number (FAIN)
 - Federal Award Date of award to the recipient by the Federal agency
 - Subaward Period of Performance Start and End Dates
 - Amount of Federal Funds obligated by this action by the pass-through entity to the subrecipient
 - Total Amount of Federal Funds Obligation to the subrecipient by the pass-through entity including current obligation
 - Total Amount of Federal award committed to the subrecipient by the pass-through entity
 - Federal award project description
 - Name of Federal awarding agency, pass-through entity, and contact information for awarding office of the pass-through entity
 - Catalog of Federal Domestic Assistance (CFDA) Number and Name
 - Identification of whether the award is Research and Development
 - A copy of the executed contract between your organization and your subrecipient is due within 30 days of Contract Award by ISDA. ISDA will not reimburse any expenses for subrecipients of pass-through entities until ISDA receives this contract.

- Evaluate each subrecipient’s risk of noncompliance with Federal statutes, regulations and the terms and conditions of the subaward. 2 CFR § 200.206 provides an explanation of the risk analysis.
- Consider imposing specific subaward conditions upon a subrecipient, if appropriate, as described in 2 CFR § 200.208
- Determine if the subrecipient receives a single-audit. If they do receive a single-audit, the audit must be obtained and reviewed for any material findings related to the grant. If there are any material findings related to the grant, there must be documentation as to corrective action and follow up with the subrecipient. This must be done on an annual basis throughout the term of the grant.
- Monitor activities of the subrecipient as necessary to ensure that the subaward is used for authorized purposes, in compliance with Federal statutes, regulations, and the terms and conditions of the subaward, and that subaward performance goals are achieved. Subrecipient monitoring must include:
 - Site visit: ISDA’s subrecipient must conduct at least one site visit to each of their subrecipients over the term of the grant period. During the site visit the following actions must be performed, documented, and relayed back to ISDA:
 - Meet with the Principal Investigator (PI) on the project if possible, or other persons working directly on the project if the PI is unavailable.
 - If any equipment was purchased using grant funds, verify that it is on site.
 - Go over the current status of the project and any issues that may be occurring; develop a plan for the resolution of any problems if necessary.
- Keep all records from the project including contracts, amendments, budget revisions, quarterly ledgers and their proper backup documentation, any semi-annual or annual reports as required by the grant agreement, and any pertinent general correspondence.

X. Post-Award Management

Subrecipients must ensure they are:

1. Making adequate progress toward achieving the grant project’s goals, objectives, and targets;
2. Expending grant funds in a way that meets provisions of pertinent statutes, regulations, ISDA administrative requirements, and relevant Office of Management and Budget (OMB) circulars;
3. Aware of the requirements imposed upon them by Federal statute and regulations;
4. In compliance with records retention and access requirements;
5. Using federal funds responsibly.

Change in Key Personnel - When it is necessary to change the program contact for a period of more than three (3) months, submit a written request (email is acceptable) to ISDA. Request should contain the new individual’s name and contact information.

Scope or Objectives - When it is necessary to modify the scope or objectives of the award, submit a written justification for the change, along with the revised workplan to ISDA for approval. Changes in Scope or objectives require USDA approval as well. ISDA will submit the revised workplan to USDA

Extension of Grant Agreement - Where an extension of time is required; the extension(s) must be received in writing no later than 60 days prior to the expiration date of the award. The request must contain the following information:

1. The length of additional time required to complete project objectives and a justification for the extension;
2. A summary of progress to date (status of project timeline and objectives...etc.);
3. An estimate of remaining funds on the scheduled expiration date;
4. A projected timetable to complete the project for which the extension is being requested;
5. Signature of the Program Coordinator.

Budget Changes – Where a modification to the approved budget is required, the modification must be approved in writing by the ISDA. Expenses that are not in the original work plan or budget such as additional travel or additional personnel should be submitted for approval.

Subrecipient Monitoring Plan – Subrecipients identified as pass-through entities must submit a subrecipient monitoring plan, that includes all of the requirements identified in IX. Subrecipient Monitoring for Pass-Through Entities above, for all subrecipients within 30 days of Contract Award by ISDA. If changes to this plan occur during the life of this award, Subrecipients will be required to submit updated plans to ISDA within 30 days of the change. ISDA will monitor the status of this plan and may request supporting documentation to validate this plan is being followed and documented.

Specialty Crop Block Grant Acknowledgement – Applicants are expected to acknowledge that funding for the project was provided by the Idaho State Department of Agriculture Specialty Crop Block Grant program in advertisements, websites, research articles, news articles, specialty crop promotional materials, and other publications.

If applicant chooses to acknowledge USDA’s support, this is the language that must be used: “Funding for [Project or Publication] was made possible by the U.S. Department of Agriculture’s (USDA) Agricultural Marketing Service through grant [Insert Agreement Number]. Its contents are solely the responsibility of the authors and do not necessarily represent the official views of the USDA.”

XI. Reporting Requirements

All financial and written performance reports should be emailed to SCBG@isda.idaho.gov

A. Quarterly Financial Reports

Fifteen days after the end of every quarter, each subgrantee must submit a quarterly financial report to ISDA (forms provided by ISDA upon award). Even if you have zero expenses for the quarter, you must submit the quarterly ledger with “no expenses”. Failure to submit timely ledgers may affect future scoring of applications.

Specific requirements for ledger and backup documentation include the following:

- Ensure costs are reasonable, allowable, and allocable.
- Keep records for at least three years following grant end date.
- Must provide payroll reports that show employees paid, dollar amount paid for each (broken down between salary and fringe), time period or pay date for each period paid, and grand total salary and fringe costs, that match what was reported on the ledger.
- Mark A, B, C etc., on ledger receipts to match with corresponding line items on the ledger.
- Must get prior approval to deviate from the Work Plan or Budget before expenses and ledger can be approved for payment.
- Any questionable costs must be approved by ISDA and documented in the file before that expense and ledger can be approved for payment.
- Submit receipts for all expenses. For Idaho universities, submit receipts as well as itemized expenditure reports.

Personal/salary/fringe

- Must provide payroll reports that show employees paid, dollar amount paid for each (broken down between salary and fringe), time period or pay date for each period paid, and grand total salary and fringe costs, that match what was reported on the ledger.
- Provide timesheets or reports (can be incorporated into the payroll report) that show each employee’s hours worked for each pay period that is included in the ledger request for hourly employees.
- Universities may submit an affidavit certifying a salaried exempt faculty member’s % of FTE that is being charged to the project. One must be submitted for each salaried exempt faculty member with every ledger.
- If there are any deviations from work plan and budget on who is doing work on the grant, you must let ISDA know before requesting it on ledger for payment.

Travel

- All travel must meet the State Travel Policy requirements. See: <http://www.sco.idaho.gov/web/sbe/sbeweb.nsf/pages/trvlpolicy.htm>

- Check all travel costs against what was written in your work plan (i.e. mode, type, timeframes, conferences identified, etc.).
 - Individuals who travel must match to what was written in the work plan (i.e. employee A was identified as the sole traveler but travel costs for other employees are included - these would not be allowed without first asking for approval). Must get prior approval before deviations from work plan can occur.
 - Vehicles - If you are claiming mileage for travel, then you cannot also claim direct vehicle expenses such as fuel, lube, etc. It is one or the other, but not both. If there are direct expenses such as lube and fuel for equipment such as tractors, then please explain on the receipt or ledger.
 - For mileage, you will need to keep a log which has date, time, miles and vehicle. ISDA will only reimburse mileage up to the Federal mileage rate applicable during the time period mileage is being claimed.
 - Foreign Travel - Allowable with prior approval from both USDA and ISDA. Each separate foreign trip must receive prior approval from USDA.
 - Out of State Travel - Allowable with prior approval from ISDA. During project you must get prior approval for out of state travel, if not included in the work plan or budget.
- **Airfare**
 - All airfares must be included in the budget; if not, prior approval from ISDA is required to make adjustments. USDA approval is required for each foreign trip.
 - For foreign travel, must also comply with the Fly America Act, 49 U.S.C. 40101 *et. seq.* Use United States and EU member air carrier service for all travel and cargo transportation services funded by the United States Government. When traveling between countries, if there is not U.S. Carrier available, a foreign carrier may be used. If it is a code share, the flight must be booked with the U.S. carrier flight number.
 - Must provide receipt that shows all payments for flights and itineraries.
 - Documentation must show that upgrade was paid separately.
 - Any deviation must print quote for unrestricted flight on same day of purchase (date will be on printed copy).
 - **Meals**
 - Allowable if included in work plan and budget. Meals will be reimbursed at the per diem rate & sub-recipient must reimburse the traveler at the per diem rate as well.
 - Allowable for meals consumed while in official travel status. The per diem allowance will only be paid for travel outside a 50-mile radius of the employee's primary work location and for travel in excess of 12 hours or includes an overnight stay.
 - Meals not related to travel please contact ISDA for additional guidance.

Procurement/Bidding

- Procure commercially available goods and services using existing documented procurement procedures which may reflect applicable State, local, and tribal law and regulations, provided that the procurements conform to applicable Federal law and the standards § 200.318 through § 200.327. All procurement documentation must be submitted to ISDA for review and approval before these items will be reimbursed.

If no existing documented procurement procedures are in place for your organization obtain three written bids for any expenditure of \$10,000.00 or more, according to the Idaho Administrative Rules pertaining to the Department of Administration, Division of Purchasing as found in IDAPA 38.05.01, and award the purchase to the lowest acceptable bid. All procurement documentation, including rejected bids must be submitted to ISDA for review and approval before these items will be reimbursed.

Equipment Purchases

- Make sure all equipment costs correlate with what is written in the work plan and budget.
- If any individual equipment purchase exceeds \$10,000, procurement documentation must be submitted before expenses are paid.
- Special Purpose vs General Purpose – general purpose equipment is unallowable under the grant. Special purpose equipment may be allowed.
- Annual inventory tracking for equipment is required, even after the close of the grant. A form will be provided each year by ISDA to verify location of equipment. Ownership of equipment must be retained for life. There are stringent disposal procedures required by USDA. If a subrecipient needs to dispose of equipment purchased with grant funds, please contact ISDA well in advance for specific procedures.

Contractual Costs

- When submitting contractual costs, make sure they match what was written in the work plan and budget.
- Major contracts (\$10,000 or more) require a copy of the contract between the sub recipient and the contractor, in addition to copies of the procurement documents.
- Per I.C. 67-2332, agreements between state agencies, or between state agencies and any other public entity, are exempt from competitive procurement rules; however, a copy of the contract is still needed.

Annual Performance Report

An Annual Performance Report is due November 15 of each year. The Annual Performance Report must be completed using the template provided by ISDA-Templates are available on the ISDA website at www.isda.idaho.gov/scbg/ Failure to provide timely reports may affect scoring on future applications.

Final Performance Report

A final performance report will be required 45 days following the end date of the grant agreement. The final report will be combined by ISDA with all other Specialty Crop Grant Reports from Idaho and posted

on the SCBGP-FB web site. This represents an important vehicle for sharing project findings with Federal and State agencies and the public. The Final Performance Report must be completed using the template provided on the ISDA website at www.isda.idaho.gov/scbg/. Failure to provide timely reports may affect scoring on future applications.

Subgrantees Single Audit Requirements: Letters will be sent to all ISDA subgrantees certifying whether or not they are required to receive a single audit. The Federal Office of Management and Budget (OMB), 2 CFR § 200 Subpart F - Audit Requirements states that “a non-Federal entity that expends \$750,000 or more during the non-Federal entity’s fiscal year in Federal awards must have a single or program-specific audit conducted for that year.” If a subgrantee is required to receive a single audit, they must provide a copy of the audit results on an annual basis throughout the term of the grant to ISDA. If there are any material findings related to the Specialty Crop Block Grant, they must provide a corrective action plan to ISDA. ISDA will follow up with subgrantees annually to make sure this requirement is satisfied.

XII. Request for Payment

Funds will be dispersed to grant recipients on a reimbursement basis following the end of each quarter, and upon submission and approval of quarterly ledger and acceptable supporting documentation including, but not limited to, time sheets, payroll registers, receipts, invoices, and check stubs. The first quarter in which funds will be available is the quarter ending December 31, 2023. Failure to provide timely quarterly ledgers along with proper support documentation may affect scoring on future applications.

XIII. Records Retention

In accordance with Federal regulations, grant recipients should retain all records relating to the grant for a period of three years after the final financial status report has received by ISDA, or until final resolution of any audit finding or litigation. Because records must be retained according to when ISDA receives a final report, the required retention date could be more than four years after the subgrantee’s grant end date. ISDA will notify subgrantees when the report is received.

XIV. ISDA Specialty Crop Block Grant Contacts

Applications should be emailed to:

Idaho State Department of Agriculture, Market Development Division

Attn: Brenden Meyet

Email: Brenden.Meyet@isda.idaho.gov

Tel: (208) 332-8547

Appendix A: List of Selected Costs Contained in OMB Cost Principles Regulations

4.7.2 ALLOWABLE AND UNALLOWABLE COSTS AND ACTIVITIES

All SCBGP awards are subject to the most recent [General Award Terms and Conditions](#), *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR part 200)*, and other laws and regulations affecting Federal assistance. The following table summarizes allowable and unallowable costs in common

categories for AMS grant programs. This section is not intended to be all-inclusive. The recipient should consult the Federal Cost Principles ([Subpart E-Cost Principles of 2 CFR § 200](#)) for the complete explanation of the allowability of costs.

Cost Category	Affected AMS Grant Program(s)	Description, Guidance and Exceptions
Advisory Councils	ALL	Unallowable for costs incurred by advisory councils or committees.
Alcoholic Beverages	ALL with exceptions	Unallowable for alcoholic beverages unless the cost is associated with fulfilling the purpose of the grant program and either approved in the application or with prior written approval.
Buildings and Land – Construction	ALL	<p>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). This also includes construction and construction-related materials, which may include, but are not limited to, the purchase of building materials such as wood, nails, concrete, asphalt, roofing, gravel, sand, paint, insulation, drywall, or plumbing.</p> <p>Allowable for rental costs of land and building space. However, lease agreements to own (i.e., lease-to-own or rent-to-own) are not allowable. The lease or rental agreement must terminate at the end of the grant cycle. A building is any permanent structure designed or intended for support, enclosure, shelter, or protection of people, animals, or property, and having a permanent roof supported by columns or walls.</p>
Conferences	ALL with exceptions	<p>Allowable if the conference fulfills the purpose of a grant program’s legislated purpose. Allowable conference costs paid by the non-Federal recipient as a sponsor or host of the conference may include rental of facilities, speakers’ fees, costs of meals (see Meals for restrictions), and refreshments, local transportation, and other items incidental to such conferences with the exception of entertainment costs that are unallowable. If registration fees are collected, the recipient must report fees as program income (see Program Income).</p> <p>Allowable to rent a building or room for training; however, where appropriate, AMS encourages the use of technologies such as webinars, teleconferencing, or videoconferencing as an alternative to renting a building or a room. The recipient should use the most cost-effective facilities, such as State government conference rooms if renting a building or a room is necessary.</p>
Contingency Provisions	ALL	Unallowable for miscellaneous and similar rainy-day funds for events the occurrence of which cannot be foretold with certainty as to the time or intensity, or with an assurance of their happening. Unallowable for working capital for activities/items not already in place.
Contractual/Consultant Costs (Professional Services)	ALL	<p>Allowable subject to limitations. Contractual/consultant costs are expenses associated with purchasing goods and/or procuring services performed by an individual or organization other than the recipient in the form of a procurement relationship.</p> <p>Allowable for contractor/consultant employee rates that do not exceed the salary of a GS-15 step 10 Federal employee in the area (for more information, visit the OPM website) and travel that is reasonable and necessary. This does not include fringe benefits, indirect costs, or other expenses. If rates exceed this amount, the recipient is required to justify the allowability of the cost aligning with 2 CFR §§ 200.317-327.</p>
Contributions or Donations	ALL	Unallowable for contributions or donations, including cash, property, and services, made by the recipient to other entities. An NFE using grant funds to purchase food or services to donate to other entities and/or individuals is unallowable.
Electronic Benefit Transfer (EBT) Machines	ALL	Unallowable for the purchase/lease of Supplemental Nutrition Assistance Program (SNAP) EBT equipment.

Cost Category	Affected AMS Grant Program(s)	Description, Guidance and Exceptions
Entertainment Costs	ALL with exceptions	<p>Unallowable for entertainment costs including 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). Entertainment costs are defined in 2 CFR § 200.438.</p> <p>Allowable where the specific cost is considered to meet the requirements of the sponsored program and are authorized in the approved budget or with prior written approval.</p>
Equipment	ALL	<p>Unallowable for acquisition costs of general purpose equipment or lease agreements to own (i.e., lease-to-own or rent-to-own).</p> <p>Allowable for rental costs of general purpose equipment when provided in the approved budget or with prior written approval. Vehicles may be leased but not purchased. The lease or rental agreement must terminate at the end of the grant cycle.</p> <p>For vehicle and equipment leases or rentals with an acquisition cost that equals or exceeds \$5,000, rates should be in light of factors such as: rental costs of comparable vehicles and equipment, if any; market conditions in the area; alternatives available; and the type, life expectancy, condition, and value of the vehicle or equipment leased.</p> <p>Allowable when provided in the approved budget or with prior written approval for acquisition costs and rental costs of special purpose equipment provided the following criteria are met:</p> <ol style="list-style-type: none"> 1) Necessary for the research, scientific, or other technical activities of the grant agreement; 2) Not otherwise reasonably available and accessible; 3) The type of equipment is normally charged as a direct cost by the organization; 4) Acquired in accordance with organizational practices; 5) Must be used solely to meet the legislative purpose of the grant program and objectives of the grant agreement; 6) More than one single commercial organization, commercial product, or individual must benefit from the use of the equipment; 7) Must not use special purpose equipment acquired with grant funds to provide services for a fee to compete unfairly with private companies that provide equivalent services; and 8) Equipment is subject to the full range of acquisition, use, management, and disposition requirements under 2 CFR § 200.313 as applicable. <p>Definitions</p> <p>Equipment is defined as tangible personal property (including information technology systems) having a useful life of more than one year and a per-unit acquisition cost that equals or exceeds the lesser of the capitalization level established by the NFE for financial statement purposes, or \$5,000.</p> <p>Acquisition cost means the cost of the asset including the cost to prepare the asset for its intended use. Acquisition cost for equipment is the net invoice price of the equipment, including the cost of any modifications, attachments, accessories, or auxiliary apparatus necessary to make it usable for its acquired purpose.</p> <p>General Purpose Equipment means equipment that is not limited to technical activities. Examples include office equipment and furnishings, modular offices, telephone networks, information technology equipment and systems, air conditioning equipment, reproduction and printing equipment, and motor vehicles.</p> <p>Special Purpose Equipment is equipment used only for research, scientific, or technical activities.</p>

Cost Category	Affected AMS Grant Program(s)	Description, Guidance and Exceptions
Equipment – Information Technology Systems and Telecommunications	ALL	<p>Unallowable for information technology systems having a useful life of more than one year and a per-unit acquisition cost that equals or exceeds the lesser of the capitalization level established in accordance with GAAP by the recipient for financial statement purposes or \$5,000. Acquisition costs for software include those development costs capitalized in accordance with GAAP.</p> <p>Information technology systems include computing devices, ancillary equipment, software, firmware, and similar procedures, services (including support services), and related resources. Computing devices means machines used to acquire, store, analyze, process, and publish data and other information electronically, including accessories (or “peripherals”) for printing, transmitting and receiving, or storing electronic information. Examples of unallowable information technology systems include service contracts, operating systems, printers, and computers that have an acquisition cost of \$5,000 or more. See also special prohibition on the purchase of certain telecommunications and video surveillance described in 2 CFR §200.216.</p> <p>Allowable for website development, mobile apps, etc., that are not considered to be information technology systems but rather social media applications.</p>
Farm, Gardening, and Production Activities and Supplies	ALL with exceptions	<p>Unallowable for farm, gardening, and production activities, materials, supplies, and other related costs including but not limited to soil, seeds, shovels, gardening tools, greenhouses, and hoop houses.</p> <p>Allowable where the specific cost is considered to meet the requirements of the sponsored program and is authorized in the approved budget or with prior written approval.</p>
Fines, Penalties, Damages and Other Settlements	ALL	<p>Unallowable for costs resulting from violations of, alleged violations of, or failure to comply with, Federal, State, tribal, local, or foreign laws and regulations.</p>
Fixed Amount Subawards	ALL with exceptions	<p>Unallowable for cost related to fixed amounts subawards.</p> <p>Allowable to meet the requirements of the sponsored program (noncompetitive) and with prior written approval. A pass-through entity may provide subawards based on fixed amounts up to the simplified acquisition threshold, provided that the subawards meet the requirements for fixed amount awards in 2 CFR § 200.201.</p>
Fundraising and Investment Management Costs	ALL	<p>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.</p>

Cost Category	Affected AMS Grant Program(s)	Description, Guidance and Exceptions
General Costs of Government	ALL	Unallowable for: <ol style="list-style-type: none"> 1) Salaries and expenses of the Office of the Governor of a State or the chief executive of a local government or the chief executive of an Indian tribe; 2) Salaries and other expenses of a State legislature, tribal council, or similar local governmental body, such as a county supervisor, city council, school board, etc., whether incurred for purposes of legislation or executive direction; 3) Costs of the judicial branch of a government; 4) Costs of prosecutorial activities unless treated as a direct cost to a specific program if authorized by statute or regulation (however, this does not preclude the allowability of other legal activities of the Attorney General as described in 2 CFR § 200.435 Defense and prosecution of criminal and civil proceedings, claims, appeals and patent infringements); and 5) Costs of other general types of government services normally provided to the general public, such as fire and police, unless provided for as a direct cost under a program statute or regulation.
Goods or Services for Personal Use	ALL	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.
Indirect Costs – Unrecovered	ALL with exceptions	Unallowable for unrecovered indirect costs. Allowable for projects with match requirements to use unrecovered indirect costs as part of cost sharing or matching.
Insurance and Indemnification	ALL	Allowable when provided in the approved budget or with prior written approval as indirect costs for insurance and indemnification.
Lobbying	ALL	Unallowable as defined in 2 CFR § 200.450 .
Meals	ALL	Unallowable for business meals when individuals go to lunch or dine together although no need exists for continuity of a meeting. Such activity is considered an entertainment cost. Unallowable for conference attendee breakfasts. It is expected attendees will have adequate time to obtain this meal on their own before a conference begins. Unallowable for meal costs that duplicate a 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.
Memberships, Subscriptions, and Professional Activity Costs	ALL	Unallowable for costs of membership in any civic or community organization. Allowable for costs of membership in business, technical, and professional organizations when provided in the approved budget or with prior written approval.

Cost Category	Affected AMS Grant Program(s)	Description, Guidance and Exceptions
Organization Costs	ALL	Unallowable for costs of investment counsel and staff and similar expenses incurred to enhance income from investments. Allowable with prior approval for organization costs per 2 CFR § 200.455 .
Participant Support Costs	ALL	Allowable when provided in the approved budget or with prior written approval 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, surveys, and focus groups.
Political Activities	ALL	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 Costs	ALL	Allowable when provided in the approved budget or with prior written approval of such costs are necessary for efficient and timely performance of the project's 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. If charged to the award, these costs must be charged to the initial budget period of the award, unless otherwise specified by AMS. A recipient may incur pre-award costs 90 calendar days before the award. Expenses more than 90 calendar days pre-award require prior approval. These costs and associated activities must be included in the recipient's project narrative and budget justification. All costs incurred before the award are at the potential recipient's risk. The incurrence of pre-award costs in anticipation of an award imposes no obligation on AMS to award funds for such costs.
Printing and Publications	ALL	Allowable to pay the cost of preparing informational leaflets, reports, manuals, and publications relating to the project; however, the printing of hard copies is discouraged given the prevalence of electronic/virtual publication means. If charged to the award, these costs must be charged to the final budget period of the award, unless otherwise specified by AMS.
Rearrangement and Reconversion Costs	ALL	Allowable as indirect costs with prior approval for cost incurred for ordinary and normal rearrangement and alteration of facilities. Allowable as direct costs with prior approval for special arrangements and alterations costs incurred specifically for the award. Rearrangement and reconversion costs are those incurred in restoring or rehabilitating the non-Federal entity's facilities to approximately the same condition existing immediately before the start of the grant agreement, less costs related to normal wear and tear.
Salaries and Wages	ALL	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). Unallowable for salaries, wages, and fringe benefits for project staff who devote time and effort to activities that do not meet the legislated purpose of the grant program.

Cost Category	Affected AMS Grant Program(s)	Description, Guidance and Exceptions
Selling and Marketing Costs – Promotion of an Organization’s Image, Logo, or Brand Name	ALL	<p>Unallowable for costs designed solely to promote the image of an organization, a general logo, or a general brand.</p> <ol style="list-style-type: none"> 1) Promotional items could say “Buy STATE/COUNTY Grown Apples” but not “XYZ Grown”, which promotes XYZ generically. 2) A promotional campaign to increase producer sales of “STATE/COUNTY Grown fruits and vegetables” is acceptable while increasing membership in “STATE/COUNTY Grown” generally is not.
Selling and Marketing Costs – Promotion of Venues that do not Align with Grant Program Purpose	ALL	<p>Unallowable for costs for promotion of specific venues, tradeshow, events, meetings, programs, conventions, symposia, seminars, etc. that do not align with the legislated purpose of the grant program.</p>
Selling and Marketing Costs – Promotional Items, Gifts, Prizes, etc.	ALL with exceptions	<p>Unallowable for promotional items, swag, gifts, prizes, memorabilia, and souvenirs.</p> <p>Allowable with conditions to meet the requirements of the sponsored agreement, in the approved application or with prior approval for marketing activities directly related to the funded project. Promotional items include point-of-sale materials, promotional kits, signs or streamers, automobile stickers, table tents, and placemats, or promotional items of a personal nature (e.g., t-shirt, hats, etc.).</p>
Selling and Marketing Costs – Coupons, Incentives or Other Price Discounts	ALL	<p>Unallowable for costs of the value of coupon/incentive redemptions or price discounts (e.g., the \$5.00 value for a \$5.00 clip-out coupon).</p> <p>Allowable for costs associated with printing, distribution, or promotion of coupons/tokens or price discounts (e.g., a print advertisement that contains a clip-out coupon) as long as they benefit more than a single program or organization.</p>
Selling and Marketing Costs – Food for Displays, Tastings, Cooking Demonstrations	ALL with exceptions	<p>Unallowable for purchasing food for displays, tastings, and cooking demonstrations.</p> <p>Allowable where the specific cost is considered to meet the programmatic purpose of the sponsored program and is authorized in the approved budget or with prior written approval.</p>
Selling and Marketing Costs – General Marketing Costs	ALL with exceptions	<p>Unallowable for costs designed solely to promote the image of an organization, general logo, or general brand.</p> <p>Allowable for costs designed to promote products that align with the purpose of the grant program.</p>
Selling and Marketing Costs – Sponsorships	ALL	<p>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 also benefit only the organization offering funding, limiting the beneficiaries to the sponsor organization.</p>
Selling and Marketing Costs – Use of Meeting Rooms, Space, exhibits that do not Align with Grant Program Purpose	ALL	<p>Unallowable for costs associated with trade show attendance/displays, meeting room reservations, and/or any other displays, demonstrations, exhibits, or rental of space where activities do not specifically align with the purpose of the grant program. See Conferences for more information.</p>

Cost Category	Affected AMS Grant Program(s)	Description, Guidance and Exceptions
<p>Supplies and Materials, Including Costs of Computing Devices</p>	<p>ALL</p>	<p>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 used for the performance of a Federal award may be charged as direct costs.</p> <p>A computing device is a supply if the acquisition cost is less than the lesser of the capitalization level established by the recipient for financial statement purposes or \$5,000, regardless of the length of its useful life. In the specific case of computing devices, charging as a direct cost is allowable for devices that are essential and allocable, but not solely dedicated, to the performance of a Federal award. Where Federally donated or furnished materials are used in performing the Federal award, such materials will be used without charge.</p>
<p>Training</p>	<p>ALL</p>	<p>Allowable when the training is required to meet the objectives of the project or program, including training that is related to Federal grants management.</p>
<p>Travel – Domestic and Foreign</p>	<p>ALL</p>	<p>Allowable for travel, when provided in the approved budget or with prior written approval when costs are limited to those allowed by formal organizational policy and the purpose aligns with the legislated purpose of the program.</p> <p>The allowable travel cost of recipients that do not have formal travel policies and for-profit entities may not exceed those established by the Federal Travel Regulation, issued by General Services Administration (GSA), including the maximum per diem and subsistence rates prescribed in those regulations. If a recipient does not have a formal travel policy, those regulations will be used to determine the amount that may be charged for travel costs.</p>