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## 2022 Specialty Crop Block Grant Program Farm Bill Overview

Update: 12/22/2021

### Grant Guidelines

This is the Michigan Department of Agriculture & Rural Development (MDARD) program solicitation for the Specialty Crop Block Grant Program-Farm Bill (SCBGP-FB) and H.R. 133 through the United States Department of Agriculture-Ag Marketing Service (USDA-AMS). The funding is from federal allocations. MDARD Specialty Crop Block Grant Program conducts an annual competitive proposal process to award grant funds.

### ELIGIBILITY

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#### Specialty Crops

For the purpose of this program, Section 101 of the Specialty Crops Competitiveness Act of 2004 (7 U.S.C. 1621 note) and amended under [section 10010 of the Agricultural Act of 2014, Public Law 113-79](#) (the Farm Bill) defines specialty crops as “fruits and vegetables, tree nuts, dried fruits, horticulture, and nursery crops (including floriculture). Eligible plants must be cultivated or managed and used by people for food, medicinal purposes, and/or aesthetic gratification to be considered specialty crops. Processed products shall consist of greater than 50% of the specialty crop by weight, exclusive of added water. [What is a Specialty Crop? | Agricultural Marketing Service \(usda.gov\)](#)

#### Eligible Entities

- Eligible entities include non-profit organizations, for-profit organizations, local, state, and federal government entities, including tribal governments. If you are a university applying for funding, your proposal must be submitted by the commodity group or other eligible organization for which the work is being performed. The budget should reflect that the work by the university is contractual with the commodity group.

#### Benefit More Than One Product or Organization

Proposals 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 provide a profit to 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:

#### Examples of Unacceptable Projects

- *A company requests grant funds to purchase starter plants or equipment used to plant, cultivate, and grow a specialty crop to make a profit, or to expand production of a single business or organization.*

- *A non-profit organization uses grant funds to purchase produce and then sells that produce to other entities at cost or a higher price than the purchase price while competing with other private companies who sell produce in the area*
- *A sole proprietor requests grant funds to redesign her/his logo in order to make her/his specialty crop value-added product stand out at the local farmers' market. A single specialty crop organization requests grant funds to market its organization so that it can increase membership in the organization.*

### **Examples of Acceptable Projects**

- *A State requests funding to contract with a university to conduct research on the feasibility of planting, cultivating, and growing a specialty crop in a particular area, the results of which will be shared with many growers throughout the State during the project.*
- *A 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 non-profit organization requests funds to conduct an advertising campaign that will benefit their specialty crop members.*
- *A single farmer erects high tunnels on his/her property to extend the growing season of tomatoes and lettuce and conducts a field day and farm tour to encourage other small family farmers to adopt the production methods.*

### **Complete Project Within Two Years**

Projects must be completed within two years after project is given its initiation date. The MDARD must be notified at least 60 days prior to the end date of the project if for any reason the project cannot be completed within the two-year period established in the grant agreement.

## **FUNDING**

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### **Funding Availability**

The maximum award amount is \$100,000 for research proposals and \$125,000 for marketing, training and education proposals per proposal. Only proposals submitted in whole dollar amounts will be considered.

### **Indirect costs**

Indirect costs are **unallowable** under Michigan's specialty crop grant program for subrecipients. **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. Administration costs are defined as indirect costs and are limited to 8 percent of the total Federal funds provided under the award per section 101(k)(2) of the Specialty Crops Competitiveness Act of 2004 (7 U.S.C. § 1621 note), as amended by section 10107 of the Agriculture Improvement Act of 2018, Public Law 115-343 (the Farm Bill).

**Administration Expenses** - The department will not accept any proposal with a budget line of administration expenses. (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.)

## **SOLICITATION PROCESS**

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SCBG proposals must be received by **3 p.m. (EST) on Thursday, February 24, 2022**, and will not be accepted if received after the deadline. Proposals must be sent in a **WORD** document

to [mda-grants@michigan.gov](mailto:mda-grants@michigan.gov). (Letters of support should be combined in one PDF document and attached as a separate document), but all proposal materials, including letters of support and attachments, must be provided in **ONE E-MAIL** by the deadline. Letters of support do not count toward maximum allowable pages. If you do not receive an e-mail confirmation of your proposal after 48 hours, please call 517-388-5199.

Please read ALL materials carefully. There are changes in the proposal and requirements. Any proposal not sent in the correct format and complete will not be accepted for review. All communications, inquiries and questions concerning this RFP should be sent via e-mail to: [mda-grants@michigan.gov](mailto:mda-grants@michigan.gov). Submit applications early. **DO NOT WAIT UNTIL THE DATE OF THE APPLICATION DEADLINE.** Do not password-protect your documents and make sure all tracked-changes are “accepted”.

**Timetable**

Proposal	
Release Request for Proposals	January 4, 2022
Proposals Due	February 24, 2022, at 3 p.m. (EST)
Evaluation Committee Review	April 2022
MDARD Submits State Plan to USDA	May 2022
USDA Reviews State Plan	June/July 2022
Award	
USDA State Plan Approval and Sign Agreement with USDA	September 2022
Grant Agreements Signed with Sub-Awardees – Work may begin on projects	October/November 2022

**Purpose**

The Michigan Department of Agriculture & Rural Development Specialty Crop Block Grant Program funds projects that enhance the competitiveness of Michigan specialty crops.

The funds can be used for projects involved in promotion, marketing, research, nutrition, trade enhancement, food safety, food security, plant health programs, education, increased child and adult nutrition knowledge and consumption, increased innovation, improved efficiency and reduced costs of distribution systems, environmental concerns and conservation, product development, good agricultural practices, good handling practices, and good manufacturing practices.

**Funding Priorities**

- Covid-19 industry disruptions
- Market Enhancement to promote specialty crops
  - Market Expansion, Availability, and Access to Specialty Crops
  - Farm to Institution
- Research and Development relevant to specialty crops
  - Plant Health & Pest Management
  - Farm Sustainability
- Training & Education addressing local, regional, and national challenges confronting specialty crop producers
  - Enhancing Food Safety

- Environmental Sustainability
- Workforce/Labor

### **Grant Proposal Criteria**

SCBG proposals must be received through the MDA-Grants@michigan.gov email by **3 p.m. (EST) on Thursday, February 24, 2022**, and will not be accepted if received after the deadline.

- Grant proposal(s) – Must be completed in the provided proposal format. Proposals must follow format requirements or risk being disqualified from review.
- Grant period will be approximately October 1, 2022, through September 30, 2024.
- This is a cost reimbursement program. Grantees must expend funds initially and may request reimbursement from MDARD according to the reporting requirements outlined in the Grant Agreement. This will include sending the report, invoice to MDARD, and proper documentation for proof of payment for expenses.
- Two proposals per entity are eligible for consideration. Any industry or organization that submits or endorses multiple proposals may be asked to prioritize those proposals. Please rank your proposals #1 and #2 in the title, if your organization submits two proposals.
- Applicants who do not submit progress and annual reports on time, and/or submit incomplete reports, may be removed from consideration of future funding or risk the forfeiture of current funding.
- Applicants must include a plan to disseminate results, research findings and conclusions to specialty crop growers, target industries or stakeholders.
- All budget items should support enhancing the competitiveness of specialty crops and correlate to the goal(s) of the project. Before completing the budget template, review the SCBG Allowable and Unallowable Costs and Activities Table – Page 9 [Agricultural Marketing Service \(AMS\) Grants Division General Terms and Conditions, updated December 2021 \(usda.gov\)](#)
- Proposals must be limited to ten (10) pages - 8½” x 11”, with not less than 11-point Arial font and one-inch margins.
- Recommendation of proposals to be awarded will be determined in approximately June 2022, and all applicants will be notified.
- If your project is recommended for funding, the contact person must be available for questions and comments from USDA AMS until the State Plan is accepted. Failure to comply with these requests may result in the withdrawal of your project from funding consideration.
- Projects cannot begin work and/or expend any funds until a signed grant agreement is in place typically after October 1, 2022.
- The Director of Michigan Department of Agriculture & Rural Development will have authority to recommend or not recommend grant awards to USDA, based upon selection

criteria, program priorities and proposal instructions. USDA will make final approval of awards.

### **Clarifications/Revisions**

Before award, MDARD reserves the right to seek clarifications or request any information deemed necessary for proper evaluation of submissions from all applicants deemed eligible for the subrecipient agreement. Failure to provide requested information may result in rejection of the application.

### **Rejection of Applications**

MDARD reserves the right to reject any and all applications or waive any minor irregularities when to do so would be in the best interest of the State of Michigan, and to reject the proposal of an applicant whom MDARD determines is not in a position to perform the scope of work. Minor irregularities are those which will not have a significant or adverse effect on overall completion of performance.

### **Award Notice**

Upon completion of MDARD's evaluation of applications, all applicants will be notified regarding the status of their applications.

MDARD reserves the right to negotiate and/or adjust the final award amount and scope of work prior to the award.

### **General Compliance**

All awarded grant projects must comply with all applicable federal and state laws and regulations and the terms of the grant award. Specific federal requirements can be found at [eCFR — Code of Federal Regulations https://www.ecfr.gov/cgi-bin/retrieveECFR?gp&SID=e4fc9b135eb55036173615db6792b3e6&amp;n=pt2.1.200&amp;r=PART&ty=HTML%20-%20se2.1.200\\_1318&se2.1.200\\_1331](https://www.ecfr.gov/cgi-bin/retrieveECFR?gp&SID=e4fc9b135eb55036173615db6792b3e6&amp;n=pt2.1.200&amp;r=PART&ty=HTML%20-%20se2.1.200_1318&se2.1.200_1331)

All applicants must register with the federal System for Award Management [System for Award Management https://www.sam.gov/SAM/](https://www.sam.gov/SAM/) and provide updates as needed. Registration with this site allows the organization to do business with the Federal government and ensures that Federal Funds are not paid to organizations that have been suspended or disbarred, as referenced in [2 CFR 200.212](#).

All applicants must also have a Data Universal Numbering System (DUNS) number which is the nine-digit number assigned by Dun & Bradstreet, Inc. (D&B) that uniquely identifies business entities. <https://www.dnb.com/duns-number.html>

Organizations must be legal entities recognized by the IRS AND A REGISTERED VENDOR WITH THE State of Michigan. Register at [DTMB - How to Register as a Vendor \(michigan.gov\)](#) - Click "Register as a Vendor", then Visit "SIGMA VSS".

Organizations must be in good standing with the State of Michigan through The Department of Licensing and Regulatory Affairs - [Michigan LARA Professions \(state.mi.us\)](#).

The grantee will be responsible for setting up and maintaining a project file that contains records of correspondence with MDARD, receipts, invoices and copies of all reports and documents associated with the project. The grantee shall retain all data and other records relating to the acquisition and performance of the Grant Award Agreement for a period of three years after

MDARD submits the final report to USDA. All records shall be subject to inspection and audit by state personnel at reasonable times. Upon request, the grantee shall produce a legible copy of any or all such records.

MDARD reserves the right to perform site monitoring visits to any and all grantees to ensure that work is progressing within the required time frame and that fiscal procedures are followed accurately and appropriately. Monitoring includes both financial and program information, as well as site visits.

Applicants must reside, and/or conduct their business or organization in Michigan and must be in good standing.

All eligible applicants will be reviewed by the Joint Evaluation Committee (JEC), a team of industry experts; will review proposals and recommend proposals for award to the MDARD Director. With the Director's approval, MDARD staff will prepare and submit those projects in the Michigan State Plan to USDA-AMS in accordance with State Plan requirements.

### **Ineligible Criteria**

- Grant funds will not be awarded for projects that directly benefit a particular commercial product or provide a profit to a single organization, institution, or individual, as these projects do not enhance specialty crop industry competitiveness.
- Incomplete proposals, including proposals with one or more unanswered questions and/or missing, unreadable, or otherwise unusable attachments.
- Proposals with activities outside the grant duration.
- Proposals with more than the maximum award amount.
- Proposals with unallowable costs and activities necessary to complete the project objectives.
- Proposals for ineligible or non-specialty crop commodities.

### **Eligible Commodities**

This list is not intended to be all inclusive, but rather intended to give examples of the most common specialty crops. For a complete list, see: [What is a Specialty Crop? | Agricultural Marketing Service](https://www.ams.usda.gov/services/grants/scbgp/specialty-crop) <https://www.ams.usda.gov/services/grants/scbgp/specialty-crop>

### **Programmatic, Administrative, and National Policy Requirements**

The application shall be in compliance with all laws, rules, and regulations applicable to the federal funds provided by the federal financial assistance funding opportunity.

The applicant shall maintain an accounting system and a set of accounting records which allow for the identification of revenues and expenditures related to this funding opportunity.

### **Equal Opportunity**

The State of Michigan and the Department of Agriculture & Rural Development prohibit discrimination on the basis of religion, race, color, national origin, age, sex, sexual orientation, gender identity or expression, height, weight, marital status, partisan considerations, or a disability or genetic information that is unrelated to the person's ability to perform the duties of a particular job or position.

To file a complaint of discrimination, please contact: MDARD Office of Legal Affairs, 525 West Allegan, Lansing, MI 48909, or call 517-284-5643.

You may also contact the Michigan Department of Civil Rights at:

Phone: 313-456-3700

Fax: 313-456-3701

Toll-Free: 800-482-3604

TTY: 877-878-8464

Email: [MDCRServiceCenter@michigan.gov](mailto:MDCRServiceCenter@michigan.gov)