



**GEORGIA DEPARTMENT OF AGRICULTURE
(GDA)**

**USDA/AMS SPECIALTY CROP BLOCK GRANT
PROGRAM**

**2017 GDA GRANT MANAGEMENT
PROCEDURES MANUAL**

TABLE OF CONTENTS

| | |
|---|----|
| GDA Grant Management Responsibilities | 3 |
| Subgrantee Responsibilities | 4 |
| Federal Work Authorization Program | 4 |
| Federal Funding Accountability & Transparency Act | 4 |
| State of Georgia Alternate W-9 Form | 5 |
| Grant Award Payments | 5 |
| Federal Cost Principles | 6 |
| Restrictions/Limitations on Funds | 7 |
| Performance Report Requirements | 8 |
| Annual Performance Reports | 8 |
| Final Performance Report | 9 |
| Project Scope/Objective/Key Person Changes | 9 |
| Budget Modification Request | 9 |
| Project/Program Income | 10 |
| Site Visits and Performance Reviews | 10 |
| Record Retention Requirements | 10 |
| End of Grant/Project | 11 |
| Helpful Websites | 11 |
| GDA Contact Information | 11 |

**2017 GEORGIA DEPARTMENT OF AGRICULTURE
(GDA)
USDA/AMS SPECIALTY CROP BLOCK GRANT
PROGRAM
Grant No. AM170100XXXXG018
GDA GRANT MANAGEMENT
PROCEDURES MANUAL
September 30, 2017 – September 29, 2020**

CONGRATULATIONS on being awarded a Specialty Crop Block Grant for your project! Please **read this manual carefully** to become aware of your responsibilities as a recipient (subgrantee) of federal funding. The manual identifies the roles and responsibilities of all parties, and describes the processes and procedures required by the terms and conditions that you agreed to as described in your executed Cooperative Agreement and Statement of Work documents. **The Georgia Department of Agriculture (GDA) has the authority to withhold grant funding to a subgrantee if they fail to comply with the required grant award terms and conditions** (7 CFR § 3016.21).

The USDA/AMS 2017 Specialty Crop Block Grant Program has been allocated \$63 million from the Agricultural Act of 2014 (Farm Bill), to be divided among 56 states and territories. Georgia received \$1,072,184 in funding for 2017.

GDA GRANT MANAGEMENT RESPONSIBILITIES

The Grants Office of the Georgia Department of Agriculture (GDA) is responsible for administering the Specialty Crop Block Grant Program (SCBGP) for Georgia. This responsibility includes ensuring subgrantees' compliance with federal and state statutes and regulations, grant terms and conditions, and project reporting requirements. GDA will review performance reports and conduct site visits. GDA will also submit required project status reports and financial reports to the United States Department of Agriculture (USDA)/Agricultural Marketing Service (AMS).

GDA will provide subgrantees with on-going consultation and assistance during the term of the grant project. GDA will be available to answer questions regarding project administration, federal and state requirements and regulations, and grant agreement terms and conditions.

Subgrantees (also referred to as *sub-awardees* and/or *non-federal entities*) will follow all applicable requirements of this manual as well as the USDA's **2017 SCBG General Award Terms and Conditions**:

<https://www.ams.usda.gov/sites/default/files/media/SCBPGSCMPTCFY2017.pdf>

SUBGRANTEE RESPONSIBILITIES

Subgrantees are fully responsible for conducting the project and for its *results*. They must closely monitor the project to ensure adherence to all statutes, regulations, and grant terms and conditions. Subgrantees will need to carry out the activities described in the **Work Plan** section of their project application/proposal in order to achieve project goals, objectives, and desired outcomes.

Subgrantees are also responsible for timely and accurate *reporting* of project status and all project activities during the term of the grant. **Subgrantees are also responsible for obtaining GDA's written approval for any project scope and/or budget changes.**

FEDERAL WORK AUTHORIZATION PROGRAM

Before any federal grant funding is awarded through GDA, the subgrantee must register and participate in the federal work authorization program, i.e., the E-Verify Program. Please see O.C.G.A. § 13-10-91. This registration involves the subgrantee signing a notarized affidavit (with attached identification document) attesting that the subgrantee has registered with, is authorized to use, and uses the federal work authorization program; and if applicable, the user identification number and date of authorization for the subgrantee. The affidavit is considered an open public record.

FEDERAL FUNDING ACCOUNTABILITY AND TRANSPARENCY ACT

Beginning with the FY 2011 SCBG, the state agency (GDA) will report every first-tier subaward that obligates \$25,000 or more, to the Federal Funding Accountability and Transparency Act (FFATA) Subaward Reporting System found at <https://www.fsrs.gov/>. The reporting is due by the end of the following month after signing a contract (i.e., if signing in October, then due by November 30).

The subaward information required for this reporting may include the total compensation and names of five top executives in certain situations. If necessary, GDA will contact you to obtain this information before November 30.

STATE OF GEORGIA ALTERNATE W-9 FORM

Pursuant to IRS Regulations, a subgrantee must furnish his Taxpayer Identification Number (TIN) to the State whether or not he is required to file tax returns. If this number is not provided, he may be subject to a 28% withholding to ensure that accurate tax information is reported to the IRS. GDA will supply this form to each subgrantee.

GRANT AWARD PAYMENTS

Use this form as the **coversheet** to request reimbursements:

http://agr.georgia.gov/Data/Sites/1/media/ag_news/grants/scbgrp_reimbursement_request.xls

A subgrantee's grant award *reimbursement* payments require prepaid invoice/expense documentation and shall be limited to the minimum amounts needed to meet current disbursement needs and shall be scheduled so the funds are available as closely as is administratively feasible to the actual disbursements by the subgrantee for program costs (usually 30 days).

Grant Reimbursement Requests must be emailed or mailed to GDA's Grants Specialist within one year of expenditure and include detailed descriptions/invoices/source documents for the costs. The Reimbursement Request will be reviewed by GDA's Grants staff: this will include a comparison of the request to the original grant application to verify that the purchase is in line with the workplan/activities/budget outlined therein. *Note that costs will likely be disallowed if they were not included in the approved application or were not otherwise pre-approved by GDA.*

Once approved, the Reimbursement Request will be forwarded to GDA's Finance Division, which will make an electronic transfer to sub-grantee's financial entity for the amount of the costs (per 7 CFR Part 3016.20(6) and 2 CFR 200.403) within **30 days** of the invoice's approval by the Grants division. The Finance Division may ask for additional documentation. If so, the subgrantee will be contacted for this information.

Please designate on the invoice the applicable categories for the request. These categories include:

Employee salaries and wages: salary, wages, and fringe benefits charged by employees working on the grant activity/project. (2 CFR 200 Subpart E, Subpart A)

(1) Where an employee works *solely* on a grant, a **certification** signed by the employee or supervisor is on file semi-annually to attest to this.

(2) Where employees work on more than one Federal award, a Federal award and a non-Federal award, an indirect cost activity and a direct cost activity, etc., a distribution of their salaries or wages will be supported by **personnel activity reports** which include after-the-fact reporting of actual distribution of activities, account for the total activity for which the employee is compensated, and include the employee's signature. These reports must be prepared at least monthly and coincide with one or more pay periods and be kept in the sub-grantees' records.

Operating Expenses: actual expenses incurred for the purpose of achieving the goals and objectives of the grant project. Such expenses include, but are not limited to, general expenditures and supplies, travel (2 CFR 200.474 and <https://sao.georgia.gov/state-travel-policy>), minor equipment (\$5,000 or less), printing, and postage. *Dated receipts/invoices marked as paid must be provided as back-up documentation.* Receipts for travel costs (airfare, hotel, rental car, parking, etc.) must be submitted, except for meal costs, as long as meal costs are within per diem rates: see <https://sao.georgia.gov/state-travel-policy>

Contractors/Consultants: can be used for services that cannot be provided by other full or part-time staff employed by the project. Generally, these services are for a short-term period and provide a specific and identifiable product or service. Individual contractor costs cannot exceed a GS 14, Step 10, \$54.36 per hour (as of 2017), unless there is acceptable evidence of a higher cost being necessary (prior approval from GDA is required). If the contract is between \$5,000 and \$25,000, you **MUST** obtain, in writing, work and cost information from at least three competing companies. Contracts over \$25,000 are subject to fair and open competition and **MUST** be publicly advertised and go out for public bid (contact GDA's Procurement Officer for assistance). Contractors are subject to the same travel-reimbursement rules identified in the above paragraph if travel is being paid for with grant funds.

Other Direct Costs: all other actual expenses that do not fall under the above categories, such as major equipment (see page 7), public relations, marketing, media, communications, and training.

NOTE: All awarded grant funds must be expended by the expiration date of the grant agreement: September 29, 2020.

FEDERAL COST PRINCIPLES

For each type of recipient organization, there is a set of federal principles for determining allowable costs. As of 12/26/14, Federal Cost Principles are determined by the Uniform Guidance:

| | |
|---|-----------|
| State, Local and Indian Tribal Governments | 2 CFR 225 |
| Private Nonprofit Organizations (this includes commissions) | 2 CFR 230 |
| Educational Institutions | 2 CFR 220 |

An **allowable cost** must be directly related to a particular cost objective of a project, and be incurred solely to advance the work under the sponsored grant. Allowable costs include, but are not limited to, salaries and wages, fringe benefits, consultant services, travel, telephone, equipment, equipment lease/rental, subcontractors and materials, data processing, bookkeeping, clerical, public information, training and communications.

An **unallowable cost** is a charge that the federal awarding agency or state determines to be unallowable, in accordance with the applicable federal cost principles or other terms and conditions provided in the grant award.

Unallowable costs include, but are not limited to: hospitality suites, alcoholic beverages, costs of entertainment, catering, general costs of government, construction, lobbying, political activities, sponsorships, co-branding, general purpose equipment, excessive airfare, costs that are above the State of Georgia (in-state) or GSA (out-of-state) per diem rates, giveaways of food (including the specialty crop being promoted), promotional merchandise or “swag”, and awards or prizes. A cost will also be determined to be unallowable if it does not directly, “enhance the competitiveness of specialty crops.”

For specifics, see [Appendix B to part 230](#) (Selected Items of Cost).

RESTRICTIONS/LIMITATIONS ON FUNDS

There are restrictions and limitations on grant funds with regard to capital expenditures and travel costs:

General purpose equipment, buildings, and land are **unallowable** as direct costs. 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.

Special purpose equipment is **allowable** as direct costs, **provided that items with a unit cost of \$5,000 or more have the prior written approval of GDA**

and USDA/AMS (please see Capital Equipment below). Special purpose equipment means equipment which is used only for research, scientific, or other technical activities. For special purpose equipment purchased with the prior written permission of USDA/AMS, the subgrantee will maintain property records of the equipment, physically inventory the property at least once every two years, develop a control system to ensure adequate safeguards for loss, damage, or theft, and develop adequate maintenance procedures to keep property in good condition. When the equipment is no longer needed by the subgrantee and the per unit fair market value is less than \$5,000, the subgrantee may retain, sell, or dispose of the equipment with no further obligation to USDA/AMS. If, however, the per unit fair market value is \$5,000 or more, then GDA *must* request disposition instructions from USDA/AMS. 7 CFR Part 3015 Subpart R-Property and 7 CFR Part 3016.32.

Capital Equipment means an article of nonexpendable, tangible personal property having a useful life of more than one year and an acquisition cost of \$5,000 or more. For equipment purchased with the prior written permission of USDA/AMS, the subgrantee will maintain property records of the equipment, physically inventory the property at least once every two years, develop a control system to ensure adequate safeguards for loss, damage, or theft, and develop adequate maintenance procedures to keep property in good condition. When the equipment is no longer needed by the subgrantee and the per unit fair market value is less than \$5,000, the subgrantee may retain, sell, or dispose of the equipment with no further obligation to USDA/AMS. If, however, the per unit fair market value is \$5,000 or more, then GDA must request disposition instructions from USDA/AMS. 7 CFR Part 3015 Subpart R-Property and 7 CFR Part 3016.32.

Travel costs are the expenses for transportation, lodging, subsistence, and related items incurred by employees who are in travel status on official business as part of the organization. When determining these costs, subgrantee must use the State's per diem rates (in Georgia: <https://sao.georgia.gov/state-travel-policy>; use current GSA rates for out-of-state travel). Dated *receipts* must be provided to GDA.

Foreign Travel (to or from the U.S.) is not permitted by GDA using funds from this grant.

NEW rule for 2016 (& forward) grants:

*****Within 18 months of the start of the grant (by March 2018), at least 50% of available grant funds should have been requested for reimbursement. Funds not drawn down in full by 30 months (March 2020) are subject to immediate recapture by GDA and redistribution (to other projects)*****

PERFORMANCE REPORT REQUIREMENTS

Annual Performance Reports: As the SCBGs are three-year grants, two annual performance reports are required from the subgrantee. *These reports are inclusive; they should include all progress made using 2017 grant funds up to September 30th of that year.* The templates for these reports can be found here:

https://www.ams.usda.gov/sites/default/files/media/Performance%20Report_Annual_Template.docx

Due Dates: #1 – November 1, 2018**

#2 – November 1, 2019**

**Each subgrantee will receive an email reminder notice of each performance report due date several weeks before it is due.

Final Performance Report: The final performance report is a compilation of the entire project and its outcome. The final report MUST follow this template:

https://www.ams.usda.gov/sites/default/files/media/Performance%20Report_Final_Template.docx

Please re-read the accepted version of your project's proposal/application while writing your final performance report. Determine if you achieved your goals and outcomes as stated in your proposal/application and if the beneficiaries were affected by the project's accomplishments and/or the potential economic impact of the project.

This final report may be posted on the USDA/AMS-SCBGP website and as such, represents an important vehicle for sharing project findings with federal and state agencies, as well as the public. Explanations of each category can be found at www.ams.usda.gov/scbgp

Due Date: Monday, November 2, 2020**

NOTE: If your project work is completed BEFORE the three-year period ends, you may complete a Final Performance Report in place of the Annual Performance Report.

PROJECT SCOPE/OBJECTIVE/KEY PERSON CHANGES

Changes in a project's **Scope or Objectives** may be requested when an element of the grant agreement needs to be changed (e.g., scope-of-work activities, dates, and deliverables) from those previously approved. These requests must be made *in writing* to GDA's grant administrator, and provide sufficient information to explain the need for the change. Budget changes must also be approved in writing.

After GDA receives the request for the project scope change, GDA will submit a written request to USDA/AMS-SCBGP for approval. If you are unsure if you can make a certain change, please email or call the grant administrator.

Any change regarding a key person working on the project, such as the PD or PI, requires an amendment with that information and must be submitted to GDA/USDA/AMS for approval.

BUDGET MODIFICATION REQUEST

Cumulative transfers among direct cost categories or separately budgeted projects or activities **which exceed or are expected to exceed 20 percent of the project's total approved budget**, requires prior written permission from USDA/AMS. **7 CFR Parts 3016.30.**

PROJECT/PROGRAM INCOME

If income is earned from the work of the project, it must be used for:

- (1) Expanding the project or program;
- (2) Continuing the project or program after the grant support ends; and/or
- (3) Supporting other projects or programs that, "further enhance the competitiveness of eligible specialty crops."

It must be stated within the Final Performance Report where the income was used.

SITE VISITS AND PERFORMANCE REVIEWS

GDA may conduct site visits and/or performance report reviews during the course of the grant agreement. GDA shall have the right of access to any of the subgrantee's grant agreement or subcontract documentation and/or records which are pertinent to the project. Information to be reviewed include whether measurable outcomes are being met; review of financial records and documentation to ensure funds are being used for their intended purpose; attending project activities; and making recommendations.

RECORD RETENTION REQUIREMENTS

Subgrantees must retain financial records, statistical records, and all supporting documents pertinent to the grant funds **for a period of three years *after* the expiration date of the grant period**. Records that must be retained include, but are not limited to:

- time cards/records that reflect the actual hours being worked by each employee on the grant project;
- actual expenditure invoices obtained for direct costs associated with the grant project;
- any employee reimbursement claims that reflect lodging, per diem, and transportation receipts;
- supporting documentation for the calculation of indirect cost percentage; and
- all other supporting documentation related to the grant project.

END OF GRANT/PROJECT

Upon receipt and approval of the subgrantee's Final Performance Report, the project will be considered completed/closed. GDA will notify the subgrantee if the Final Performance Report has not been received or approved; if funds are still to be disbursed, GDA may withhold payment until the report is received and approved.

After the end of the grant/project, the subgrantee is still responsible for grant requirements, such as record retention and/or financial accountability.

Unspent grant funds and/or earned interest income must be returned to GDA upon completion or termination of the grant period.

NOTE: All awarded 2017 SCBG funds must be expended by the expiration date of the grant agreement: September 29, 2020. NO EXTENSIONS OR EXCEPTIONS.

HELPFUL WEBSITES

http://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title02/2cfr200_main_02.tpl

<http://agr.georgia.gov/grants.aspx>

www.ams.usda.gov/scbqp

-SCBGP Guidance Document

-SCBGP Sample Performance Reports

<https://e-verify.uscis.gov/enroll>

www.fsr.gov – Federal Funding Accountability and Transparency Act

GDA CONTACT INFORMATION

Jen Erdmann

Georgia Department of Agriculture

Grants Specialist
404-586-1151
Jen.Erdmann@agr.georgia.gov

Jeanne N. Maxwell, Esq.
Georgia Department of Agriculture
Director of Grants Development & Compliance
404-586-1113
Jeanne.Maxwell@agr.georgia.gov
Georgia Department of Agriculture
Grants Office; Room 216
19 Martin Luther King, Jr. Dr. SW
Atlanta, Georgia 30334