

CNMI 2024
Micro-Grants for Food Security Program
Application Guidelines



April 19, 2024
Department of Lands and Natural Resources
Division of Agriculture
Kagman, Saipan
256-3318/19/20

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The CNMI Micro-Grants for Food Security funds will be awarded through a competitive review process. Grants will be awarded to projects which are ranked highest in meeting the purpose of increasing the quantity and quality of locally grown food in CNMI’s most food-insecure communities.

TIMELINE

<i>April 26, May 1 & 8, 2024– Public Notice, availability of funds</i>
<i>May 31, 2024 - Deadline to submit applications</i>
<i>June 5, 2024– Committee meets to review applications</i>
<i>June 12, 2024 - Applications submitted to grantor</i>
<i>July 31, 2024 - Announcement of awarded projects</i>
<i>August to September - Disbursement of funds</i>
<i>April 15, 2025 - 1st Performance Report Due (September 1, 2024 to March 29,2025)</i>
<i>October 15, 2025 - 2nd Performance Report Due (April 1, 2025 to September 30,2025)</i>

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I. Introduction

In cooperation with the USDA Agricultural Marketing Service (AMS), the Department of Lands and Natural Resources Division of Agriculture is soliciting proposals to increase the quantity and quality of locally grown food in food insecure communities that import a significant quantity of food. The proposals will be funded under the AMS Micro-Grants for Food Security Program. The program will award grants to eligible applicants to increase the quantity of locally grown food through small scale farming, herding, and livestock operations in communities that have significant levels of food insecurity and import a significant quantity of food.

Currently the Division has approximately \$216,319.92 available to award to eligible applicants and project activities. The awards will be made to eligible entities in amounts not to exceed \$5,000 per year for individual applicants and not more than \$10,000 per year for organizations.

Applications/proposals must be emailed to cnmingfsp@gmail.com or by mail at the Division of Agriculture, P.O. Box 10007, Saipan MP 96950. The application deadline is **4:30p.m. Chamorro Standard Time on Friday, May 31, 2024.**

I. Eligible Entities

Eligible applicants must be physically located in the CNMI and must apply directly to the Division of Agriculture.

Eligible entities are defined as:

1. Individuals
2. Indigenous organizations
3. Nonprofit organizations that are engaged in increasing food security, including:
 - A. Religious organizations

- B. Food banks; or
- C. Food pantries

4. Federally funded educational facilities, including:

- A. Head Start programs or an Early Head Start program
- B. Public elementary schools or public secondary schools
- C. Public institutions of higher education
- D. Tribal Colleges or Universities
- E. Job training programs

5. Local or Tribal governments that may not levy local taxes under State or Federal law.

II. Eligible Projects

Applicants must engage in activities that will increase the quantity and quality of locally grown food (including subsistence) for food insecure individuals, families, neighborhoods, and communities. Activities may include:

1. Small-Scale Gardening

An eligible applicant may:

- A. Use funds to purchase gardening tools or equipment, soil, soil amendments, seeds, plants, canning equipment, refrigeration, or other items necessary to grow and store food.
- B. Use funds for the purchase or assembly of composting units and towers designed to grow leafy greens. Includes activities associated with extending the growing season, as well as starting or expanding hydroponic and aeroponic farming.
- C. Use funds to expand an area under cultivation or engage in other activities necessary to be eligible to apply for funding under the USDA's Natural Resources and Conservation Service's Environmental Quality Incentives Program (EQUIP) for a high tunnel.

2. Small-Scale Herding and Livestock Operations

An eligible applicant may:

- A. Use funds to purchase animals as well as buy, erect, or repair fencing for livestock, poultry, or reindeer.
 - B. Fund activities or supplies associated with setting up or equipping a slaughter and processing facility, including purchasing mobile slaughterhouses.
3. Expanding Access to Food and Knowledge of Food Security

An eligible applicant may:

- A. Use funds to create or expand avenues for the sale of food commodities, specialty crops, and meats that are grown by the eligible entity for sale in the local community, or increase the availability of fresh, locally grown, and nutritious food. This includes paying for shipping of purchased items related to growing or raising food for local consumption or purchase.
- B. Use funds to travel to participate in agricultural education provided by a state cooperative extension service, land-grant college or university, tribal college, or university, or federal or state agency.

III. Match Requirements

Eligible applicants are required to provide funds equal to **10 percent** of the amount received under the micro-grant award. In-kind contributions, while encouraged, do not count toward the fulfillment of the matching funds requirement. Program income, as defined in Federal regulations, or any other Federal funds cannot be used as a match or cost share. The matching requirement is waived for the Individual applicants.

IV. Application Procedures and Requirements

Special Terms and Conditions:

For FY 2024 awards, a **DUNS number** and the **nine-digit Zip Code** are required for **organizations** that receive an award. A DUNS number is available at <https://www.dnb.com/duns-number.html> . When applying for a DUNS number, check that your street address information has been entered into the template. The address is important for reporting required information to the USDA.

V. The MGFSP Project Template

Project Information

A. Project Title – Enter project name

B. Duration of Project

- Projects shall be completed within 12 months or by September 30, 2025, unless an extension is approved.

C. Amount Requested – Enter federal funds being requested

D. Applicant Name – Enter full name

E. Phone: Enter your contact number

F. Email: Enter your email address

G. Eligible Entity Type

- Select individual

H. Project Description

In 250 words or less, please provide a brief description of the proposed project.

Please include a concise outline of the project's objectives, outcomes, and a description of the general tasks to be completed during the project period to fulfill project goals. This summary will be available for public review.

I. Expected Measurable Outcomes

- Fill in the blanks using examples provided as guidance

J. Expected Results

- Fill in the blanks using examples provided as guidance

K. Data Collection to Report on Outcomes and Indicators

- Describe how you will measure and collect data on each of the selected results above

L. Create Timeline for Entire Project

- List activities to be completed during the project period by month

M. Budget Narrative

- The budget narrative must show the total cost for the project and describe how category costs listed in the budget are derived. Applicants should review the competition announcement for allowable and unallowable expenses. If the category costs are not applicable, type N/A.

N. Matching Funds

- Check box to waive this requirement

O. Personnel

- Fill in the blank

P. Fringe Benefit

- Fill in the blank

Q. Travel

- Allowable travel costs may not exceed those established by the Federal Travel Regulation, issued by GSA, including the maximum per diem and subsistence rates prescribed in those regulations.

R. Equipment

- Equipment of \$5,000 or more. Describe items and justification for requesting funds

S. Supplies

- Describe items and provide justification for requesting funds

T. Contractual

- Type in information requested

U. Other

- Include any other information here

V. Program income

- Indicate Zero

W. Reporting Requirements

All financial and written performance reports should be emailed to the assigned program manager and must be submitted on a timely basis. Reporting periods for each project will be determined by the assigned program manager and will be based on the state and federal reporting requirements.

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Performance reports are required 30 days after the end of the reporting period.

Performance report templates, provided by the DOA, must be used to submit the reports.

A final performance report will be required no later than 45 days following the end date of the project period, but prior to the expiration or termination of the contract. This represents an important vehicle for sharing project findings with Federal and State agencies and the public.

A final report template, provided by the DOA, must be used to submit the final report.

a. Submission Procedures

An electronic copy of the Proposal in Word format must be emailed to cnmingfsp@gmail.com and received by the Division of Agriculture no later than 4:30p.m.

X. Selecting and Scoring Criteria

Each proposal will be evaluated by an evaluation committee to determine that it meets the requirements of the RFP. Proposals will be evaluated strictly on a merit basis according to the following criteria. The total number of points used to score a proposal is 20. The total score for each criteria is 5, with 5 being the best.

- The proposal increases the quantity and quality of locally grown food for food insecure individuals, families, 5 points

neighborhoods, and communities

- Objectives, whether Outcomes and Indicators support objectives and the Data Collection is a reliable method to support indicator 5 points
- Budget – complete and reasonable 5 points
- Timeline, Action and Work Plan (activities necessary and reasonable) 5 point

Proposals will be evaluated by members of the evaluation committee. A numerical score sheet shall be used for all proposals by each member of the evaluation committee. For each proposal, members will assign a point value and after all members have evaluated and scored each of the proposals, the scores will be totaled to determine a proposal's final score.

Appendix A: Unallowable and Allowable Costs

I. Unallowable Costs

All costs must be associated with project activities that are found in Appendix F. Failure to mention a particular item of cost in this section is not intended to imply that it is allowable. Please see 2 CFR Part 225 for further guidance on cost principles.

- *Advertising and Public Relations* - Costs of advertising and public relations designed to promote the recipient in general.
- *Alcoholic beverages* - except when the costs are associated with enhancing the competitiveness of wine grapes and prior approval is given from the awarding agency.
- *Bad debts* - Including losses (whether actual or estimated) arising from uncollectable accounts and other claims, related collection costs, and related legal costs.
- *Capital Expenditures for General Purpose Equipment* - Capital expenditures for general purpose equipment, buildings, and land. “General purpose equipment” means equipment, which is not limited to research, medical, scientific or other 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.
- *Contingency Provisions*. Contributions to a contingency reserve or any similar provision made for events the occurrence of which cannot be foretold with certainty as to time, intensity, or with an assurance of their happening.
- *Donated Services*. Donated or volunteer services may be furnished to a governmental unit by professional and technical personnel, consultants, and other skilled and unskilled labor. The value of these services is not reimbursable either as a direct or indirect cost.
- *Donations and Contributions*. Contributions or donations, including cash, property, and services, made by the governmental unit, regardless of the recipient.
- *Entertainment*. Amusement, diversion, and social activities and any costs directly associated with such costs (such as tickets to shows or sports events, meals, lodging, rentals, transportation, and gratuities).
- *Excessive Airfare Costs*. Airfare costs in excess of the customary standard commercial airfare (coach or equivalent), Federal Government contract airfare, or the lowest commercial discount airfare.
- *Fines and Penalties*. Fines, penalties, damages, and other settlements resulting from violations (or alleged violations) of, or failure of the governmental unit to comply with, Federal, State, local, or Indian tribal laws and regulations.
- *Fundraising*. Organized fund raising, 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.
- *Goods or Services for Personal Use*. Costs of goods or services for personal use of the governmental unit’s employees regardless of whether the cost is reported as taxable income to the employees.
- *Investment Management Cost*. Costs of investment counsel and staff and similar expenses incurred to enhance income from investments.

- *Lobbying.* Development or participation in lobbying activities including costs of membership in organizations substantially engaged in lobbying.
- Business meals may not be charged as project costs when individuals decide to go to lunch or dinner together when no need exists for continuity of a meeting. Such activity is considered to be an entertainment cost. In contrast, lunch or dinner meals may be charged to the project if 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. *Breakfasts for conference attendees are usually considered unallowable as it is expected these individuals will have sufficient time to obtain this meal on their own before the conference begins in the morning.* Note: Meals consumed while in official travel status do not fall in this category. They are considered per diem expenses and should be reimbursed in accordance with the State's established written travel policies.
- *Political Activities.* Development or participation in political activities in accordance with provisions of the Hatch Act (5 U.S.C. 1501-1508 and 7324-7326).

II. Allowable Costs

All costs must be associated with project activities that increase the quantity and quality of locally grown food for food insecure individuals, families, neighborhoods, and communities. Failure to mention a particular item of cost in these sections is not intended to imply that it is unallowable. See 2 CFR Part 225 for further guidance on cost principles.

- *Advertising and Public Relations.* Advertising and public relations costs increase the quantity and quality of locally grown food for food insecure individuals, families, neighborhoods, and communities.
- *Advisory Councils.* Costs incurred by advisory councils or committees
- *Capital Expenditures for Special Purpose Equipment.* With prior approval from AMS, costs associated with capital expenditures for special purpose equipment with a unit cost of \$5000 or more. "Special purpose equipment" means equipment which is used only for research, medical, scientific, or other technical activities. Examples of special purpose equipment include microscopes, x-ray machines, surgical instruments, and spectrometers.
- *Compensation for Personnel Services.* Compensation for personnel services during the period of performance under the Federal award, including salaries, wages, and fringe benefits to the extent that they are reasonable for the services rendered and they are supported with adequate documentation in accordance with 2 CFR 225 App. B ¶8h.
- *Communication Costs.* Costs incurred for telephone services, local and long-distance telephone calls, telegrams, postage, messenger, electronic or computer transmittal services and the like.
- *Foreign travel.* With prior approval from AMS, direct charges for foreign travel. Each separate foreign trip must receive such approval. For purposes of this provision, "foreign travel" includes any travel outside Canada, Mexico, the United States, and any United States territories and possessions. However, the term "foreign travel" for a governmental unit located in a foreign country means travel outside that country.

- *Materials and Supplies.* Costs incurred for materials, supplies, and fabricated parts necessary to carry out the project. Purchased materials and supplies shall be charged at their actual prices, net of applicable credits. Withdrawals from general stores or stockrooms should be charged at their actual net cost under any recognized method of pricing inventory withdrawals, consistently applied. Incoming transportation charges are a proper part of materials and supplies costs. Only materials and supplies actually used for the performance of the specified project may be charged as direct costs. Where federally donated or furnished materials are used in performing the Federal award, such materials will be used without charge.
- *Meetings and Conferences.* Costs of meetings and conferences with the primary purpose of dissemination of technical information. This includes costs of meals, transportation, rental of facilities, speakers' fees, and other items incidental to such meetings or conferences with the exception of entertainment costs as described under unallowable costs.
- *Professional service costs.* Costs of professional and consultant services rendered by persons who are members of a particular profession or possess a special skill, and who are not officers or employees of the governmental unit when reasonable in relation to the services rendered and when not contingent upon recovery of the costs from the Federal Government.
- *Proposal costs.* Costs of preparing proposals for potential Federal awards. Proposal costs should be treated as indirect costs and should be allocated to all activities of the governmental unit utilizing the cost allocation plan and indirect cost rate proposal.
- *Publication and Printing Costs.* Publication costs include the costs of printing (including the processes of composition, platemaking, press work, binding, and the end products produced by such processes), distribution, promotion, mailing, and general handling. Publication costs also include page charges in professional publications. If these costs are not identifiable with a particular cost objective, they should be allocated as indirect costs to all benefiting activities of the governmental unit. Page charges for professional journal publications are allowable as a necessary part of research costs where: (1) The research papers report work must be directly related to the grant project; and (2) The charges are levied impartially on all research papers published by the journal, whether or not by federally-sponsored authors.
- *Reconversion.* Costs incurred in the restoration or rehabilitation of the governmental unit's facilities to approximately the same condition existing immediately prior to commencement of Federal awards, less costs related to normal wear and tear.
- *Rental Costs of Buildings and Equipment.* To the extent that the rates are reasonable in light of such factors as: rental costs of comparable property, if any; market conditions in the area; alternatives available; and the type, life expectancy, condition, and value of the property leased. Rental arrangements should be reviewed periodically to determine if circumstances have changed and other options are available.
- *Training Costs.* The cost of training provided for employee development.
- *Travel Costs.* Travel costs for transportation, lodging, and related expenses incurred by employees who are in travel status on official business of the government may be charged on an actual cost basis. Meals will be reimbursed on a per diem basis consistent with existing guidelines.

Appendix B: Budget Narrative

Although there is no specific format for the supplemental budget, the budget should contain a narrative in paragraph format for each project in order for AMS to determine the costs are reasonable and allowable.

1. *Personnel* – Persons employed by the grantee or subgrantee organization should be listed in this category. Those employed elsewhere would be listed as subcontractors or consultants in the “Other” category.

In order for secretarial and clerical salaries to be allowable as direct charges to the awards, a justification of how that person will be directly involved in the project must be included in the narrative. General administrative or accounting duties are not considered acceptable. The duties must be directly related to the project plan.

For each project participant, indicate their title, percent of full time equivalents (FTE), and corresponding salary for the FTE.

For example, if a project participant’s salary is \$50,000 and they are participating 50% of their time on the project, the total budgeted salary cost would be \$25,000.

2. *Fringe Benefits* – Provide the rate of fringe benefits for each project participant’s salary described in the personnel section.

Travel – Please provide the following information in the narrative if applicable: destination; purpose of trip; number of people traveling; number of days traveling; estimated airfare costs; estimated ground transportation costs; estimated lodging and meals costs; estimated mileage costs. Mileage information at <https://www.gsa.gov/portal/content/100715>

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3. *Equipment* – This category includes items of property having a useful life of more than one year and an acquisition cost of \$5,000. If the cost is under \$5,000, then include these items under SUPPLIES. Provide an itemized list of equipment purchases or rentals, along with a brief narrative on the intended use of each equipment item, and the cost for all the equipment purchases or rentals.

Please see Section VII 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 \$5000 or more have the prior approval of AMS.
- Rental costs of buildings and equipment are allowable as direct costs in accordance with the cost principles in Subpart T of 7 CFR Part 3015.

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

For example, office supplies such as pens, paper, toner, etc. - \$500; Gardening supplies such as soil and fertilizer - \$500.

Items such as telephone, postage, fax and express mail are more appropriately listed under the “Other” category.

5. *Contractual* – Provide a short description of the services each contract covers and include the flat rate fee OR the total hourly rate fee for each contract.

Compensation for contractor/consultant services should be reasonable and consistent with that paid for similar services in the marketplace. Contractual hourly rates that exceed the salary of a GS-15 step 10 Federal employee in your area (\$82.26/hour) https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/pdf/2021/HI_h.pdf, unless one of the following justifications is provided.

A description of the steps you took to hire a contractor, which includes obtaining a cost/price analysis from at least three contractors who can perform the service. The purpose of the cost analysis is to review and evaluate each element of cost to determine reasonableness. (Please provide company name and contract amount for each analysis.)

OR

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

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

2. Other – Provide a detailed description of all other direct costs such as:

a. Conferences/Meeting - Costs of holding a conference or meeting are included in this category. Some examples are the rental of facilities or equipment for the meeting. Details of costs for each conference or meeting should be broken out and provided in the budget. i. Meals may not be charged as project costs when individuals decide to go to lunch or dinner together when no need exists for continuity of a meeting. Such activity is considered to be an entertainment cost. Meals may be charged to the project if such activity maintains the continuity of the meeting and to do otherwise will impose arduous conditions on the meeting participants. Some examples of acceptable reasons are that the conference facility is located in a remote area

where public facilities are not accessible; there will be a speaker and business discussions during the meal; there is insufficient time available to allow participants to go out on their own. If one or more of these justifications cannot be met, or if there are no other acceptable and compelling reasons, then the meals should not be charged to the award. The attendees should be responsible for providing their own meals. ii. Breakfasts for conference attendees are usually considered unallowable as it is expected these individuals will have sufficient time to obtain this meal on their own before the conference begins in the morning. This does not pertain to persons in a travel status. When paying for the travel of a person to attend a conference, meals and lodging may be included in the cost without additional justification.

b. Communications – Mailings, postage, express mail, faxes, and telephone long distance charges. Provide the estimated cost for this category.

c. Speaker/Trainer Fees- Provide the amount of the speaker's fees and a description of the services they are providing

d. Publication Costs – Provide the estimated cost of printing of brochures and other program materials or scientific or technical journals.

e. Data collection - Provide the estimated cost of collecting performance data to measure the project outcome measures.

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

- 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 as direct charges (check with Grant Administrator for exceptions).

Capital expenditures means expenditures for the acquisition of capital assets (equipment, buildings, land), or expenditures to make improvements to capital assets that materially increase their value or useful life. Acquisition cost means the cost of the asset including the cost to put it in place. Acquisition cost for equipment, for example, means the net invoice price of the equipment, including the cost of any modifications, attachments, accessories, or auxiliary apparatus necessary to make it usable for the purpose for which it is acquired. Ancillary charges, such as taxes, duty, protective in-transit insurance, freight, and installation may be included in, or excluded from the acquisition cost in accordance with the governmental unit's regular accounting practices.

General purpose equipment means equipment 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 nonexpendable, 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 DOA, and that the item will only be used to increase the quantity and quality of locally grown food. Special purpose equipment means equipment which is used only for research, scientific, or other technical activities.
- Refer to 7 CFR Part 3015 Subpart R – Property and 7 CFR 3016.32 or 2 CFR part 200 Property Standards that requires the State to use, manage, and dispose of equipment acquired under the MGFSP in accordance with State laws and procedures. Subawardees will:
 - Maintain property records
 - Conduct an inventory and reconciling results at least once every 2 years
 - Develop a control system to ensure adequate safeguards for loss, damage or theft
 - Develop adequate maintenance procedures to keep property in good condition.
- When the equipment is no longer needed by the subawardee and the per unit fair market value is less than \$5,000, the subawardee may retain, sell, or dispose of the equipment with no further obligation to the State. If, on the other hand, the per unit fair market value is \$5,000 or more, then the State must request disposition instructions from the USDA AMS.
- Rental costs of buildings and equipment are allowable as direct costs in accordance with the cost principles in Subpart T of 7 CFR 3015.

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