

# Climate-Smart Commodities Planning & Capacity Grants Request for Proposals

## SECTION 1: Grant Summary

**TITLE:** Strengthening Grassroots Leadership and Capacity to Scale Climate-Smart Production Systems and Facilitate Historically Underserved Producers' Access to Markets

**DUE DATE:** May 15, 2024 (anticipated award, August 2024)

**FUNDING:** The maximum Planning & Capacity Grant is \$15,000 (10% match). NACD anticipates award of up to 50 Planning & Capacity Grants.

Recipients of Planning & Capacity grants will be eligible to compete for a future pool of project implementation funds. **It is anticipated that implementation or project grants resulting from Planning & Capacity grants will range from \$50,000 to \$750,000 per project.**

It is anticipated that the RFP for this project pool will be released in Spring 2025. Projects will be evaluated and selected on a competitive basis. The competition for future project grants will be limited to those with a Planning & Capacity grant. Please note, however, that having received a Planning & Capacity grant does not guarantee that a recipient will receive a project implementation grant.

*Match may be waived for Planning & Capacity Grants if 100% of the project serves underserved producers. Please refer to NACD's Climate Smart Commodities FAQ for additional programmatic details and information on this grant program.*

**DURATION:** 12 months from award

**RESOURCES:** (1) NACD's Climate Smart Commodities Grant FAQ provides programmatic details and policies. This will be regularly updated at [bit.ly/nacdclimate](https://bit.ly/nacdclimate).

(2) USDA Data Dictionary, Reporting Instructions, and Reporting Template details the requirements for quarterly reporting at the field, farm, producer, and project levels.

## SECTION 2: Grant Selection Process

### 2.1 BACKGROUND

Administrative capacity can be a major barrier for organizations with limited resources. Further, projects funded by the Partnerships for Climate Smart Commodities program requires strong outreach/education, technical assistance, MMRV, and marketing plans. These are complex partnerships, strategies, and projects to develop and implement.

**Planning & Capacity (P&C) grants are intended to support early-stage development of a climate-smart commodities project.** P&C grants may focus on community needs assessments, partnership development, and building preliminary capacity to begin programming in the following areas:

- Outreach and technical assistance with the goals of scaling the adoption of climate-smart practices
- Developing the capabilities and partnerships necessary for developing measurement, monitoring, reporting, and verification (MMRV) plans
- Assessing and understanding market dynamics (e.g., understanding local demand for climate-smart commodities, analyzing barriers to producers' participation in such markets). Assessments may be conducted with the goals of:
  - Developing plans to mitigate barriers to participation and
  - Developing partnerships to develop or expand local or regional climate-smart markets

### 2.2 SUCCESSFUL OUTCOMES FOR P&C GRANTS

One of the key outcomes for recipients of a P&C grant is to implement a climate-smart commodities project upon completion. Future projects should:

- Leverage the locally-led conservation delivery system to provide the education and technical assistance needed to transition to climate-smart production systems.
- Develop economic opportunities within communities and build local capacity that can sustain projects and partnerships beyond the life of the grant.
- Seek to mitigate historical and systemic barriers within the broader food system to increase participation of underserved producers and communities.
- Provide external match, leverage, or additional financial incentives to producers, more holistically de-risking their transition to climate-smart systems and supporting their long-term economic viability.

Additionally, each project under NACD's Climate Smart Commodities grant must include the following components:

- Outreach, education, technical and financial assistance with the goals of **scaling climate-smart practice adoption** (e.g., reaching new and underserved producers; enrolling new acres).
- Clear plan for **measuring/quantifying** environmental outcomes (GHG benefits, as well as other co-benefits such as water quality, biodiversity, etc.), as well as **monitoring, reporting, and verifying outcomes**.
- **Develop or expand** local, regional, or national **markets** for climate-smart commodities.

**P&C grants should therefore ensure that the organization(s) involved are developing the strategies, plans, resources, and milestones for each of the three components listed above.**

### **2.3 PLANNING & CAPACITY GRANT SCOPE**

One of the goals of NACD's Planning & Capacity grants is to facilitate the project planning and partnership development needed to achieve the above stated outcomes and goals. Examples of potential efforts include, but are not limited to:

- Partnership development and project scoping
- Testing potential collaborations or technical assistance/service delivery/education models
- Developing partnerships and capacity building with Tribes or community-based organizations that represent Tribes and/or underserved producers
- Develop frameworks for conservation field trials meant to advance indigenous practices or Traditional Ecological Knowledge (TEK), including but not limited to conducting conservation evaluation and monitoring activities (CEMA) consistent with NRCS program policies and processes
- Community and producer needs assessments
- Piloting educational opportunities or testing climate-smart conservation plans with producers
- Assessment and identification of potential markets for climate-smart commodities (whether local, regional, or national), as well as analysis of potential barriers to entry and meaningful participation of local producers
- Development of strategies and partnerships to reduce or eliminate barriers to participating in conservation/climate programs and markets
- Developing partnerships and strategies to advance MMRV, or strategies for compensating producers for their environmental outcomes/benefits

Competitive proposals will focus on developing projects and partnerships across all three of the main components. Proposals focusing only on advancing one component (e.g., outreach, education, and technical assistance; research/demonstrations or advancing MMRV; assessing or expanding markets) will not meet the goals of a P&C grant.

**2.4 ANTICIPATED MILESTONES & TIMELINES**

Anticipated Dates	Milestones
March 7, 2024	NACD will host a webinar to discuss this RFA and answer any questions. All interested parties, both eligible entities and partners, are welcome to join. The webinar will be recorded and posted to NACD’s website: <a href="https://bit.ly/nacdclimate">bit.ly/nacdclimate</a>
May 15, 2024	Applications due
April 16 – August 2024	Fact-finding and clarifications, formal evaluations, and negotiations or scope refinements
August 2024	Applicants notified of selection
August 2024	Award

**2.5 EVALUATION CRITERIA**

Planning & Capacity Grants will be evaluated based on the following:

**Project Goals & Timeline (25%)**

- Demonstrates a clear understanding of the Climate Smart Commodities grant program
- Project goals, plans, milestones and objectives are clear, realistic, and feasible given the timeline, capacity, and capability of partners

**Technical Approach (25%)**

- Strength and clarity of the approach to developing partnerships/strategies to scale practices, develop MMRV plans, and develop/expand climate-smart markets
- Demonstrates an understanding of local needs and producers, as well as a description of how the project fits within the district’s long-range or strategic plan
- Strength of partnerships with neighboring conservation districts and potential partners, including commitments from community partners (e.g., producer groups, MRV providers, and market partners)

**Alignment to NACD’s goal of leaving no producer behind (25%)**

- Strength of outreach plans to Tribes and/or underserved producers
- Strength of collaborations with Tribes, tribal organizations, and/or community-based organizations representing underserved producers

**Other (25%)**

- Project Sustainability (e.g., how project will be sustained or implemented in years beyond the P&C grant period)
- Past performance and experience
- Project Risk (e.g., financial, technical, and programmatic)
- Detailed project budget and description of how funds will be used to achieve project goals
- NACD will consider the diversity of applications when making selections. This includes, but is not limited to geography, size and scale of projects, commodities, and operations.

## SECTION 3: Eligibility

### 3.1 ELIGIBLE APPLICANTS

Eligible applicants include:

- Conservation district or Tribal conservation district
- State/territory association of conservation districts
- Resource conservation & development council, and/or
- Tribal government or inter-tribal consortium. This includes Federally Recognized Indian Tribal Governments and State Designated Indian Tribes. Intertribal Consortia must meet the definition for eligibility in the Environmental Program Grants for Tribe Final Rule (40 CFR 35.504, 66 FR 3782, January 16, 2001 (FRL-6929-5)) and be a non-profit organization within the meaning of 2CFR 200.

NACD will also accept applications from organizations representing historically underserved producers. Proposals must engage one of the eligible entities listed above and include a letter of support from the partnering district(s).

NACD is committed to advancing equity, justice, and equal opportunity by sustaining fairness in the way programs, services, and technical assistance are delivered, within agency policies and practices. Consistent with NACD's equity and Justice40 objectives, the ability to reach historically underserved producers and communities will be considered and evaluated. Developing local partnerships and strengthening collaborations with underserved producers and producer groups is highly encouraged.

### 3.2 ELIGIBLE GEOGRAPHIES

Eligible geographies include anywhere in the United States, including the territories of Guam, the Commonwealth of the Northern Mariana Islands, American Samoa, Puerto Rico, and the Virgin Islands.

### 3.3 COMMITMENT TO EQUITY, JUSTICE, AND EQUAL OPPORTUNITY

NACD is committed to advancing equity, justice, and equal opportunity by sustaining fairness in the way programs, services, and technical assistance are delivered. "Equity" means the consistent and systematic fair, just, and impartial treatment of all individuals, including individuals who belong to underserved communities that have been denied such treatment, such as Black, Latino, and Indigenous and Native American persons, Asian American and Pacific Islander persons and other persons of color; members of religious minorities; women and girls; lesbian, gay, bisexual, transgender, and queer (LGBTQ+) persons; persons with disabilities; persons who live in rural areas; persons who live in United States Territories and persons otherwise adversely affected by persistent poverty or inequality. Equity ensures that all individuals and communities have the opportunities and resources they need to reach equal outcomes.

Some groups of people are identified in Farm Bill legislation and in USDA policy as being Historically Underserved. Members of these groups have been historically underserved by, or subject to discrimination in, Federal policies and programs. Four groups are defined by USDA as "Historically Underserved," including producers who are: Beginning; Socially Disadvantaged; Veteran; and Limited Resource. See the NRCS website for further explanations and eligibility criteria: <https://www.nrcs.usda.gov/getting-assistance/underserved-farmers-ranchers>

## SECTION 4: Technical Proposal

### 4.1 INSTRUCTIONS

There are four parts to the proposal:

- Technical Proposal
  - See Section 4.3 for the proposal questions, sequence, and page limitations. NACD will also utilize an electronic form to collect metrics and certain survey questions.
- Budget Table
  - A template for the budget table is provided in Section 5. NACD will utilize its Grant Management system to collect budget information.
- Budget Narrative
  - Instructions for the Budget Narrative are provided in Section 5. The narrative shall describe and justify proposed costs, how the costs were estimated, and how the expenses contribute to the project deliverables.
- Letters of Support
  - See Section 4.2 for additional information.

NACD is in the process of implementing a new grants management system and a link to the formal application submission in February 2024. NACD will also host a virtual training to familiarize applicants with the system. These dates will be announced in early 2024.

Please utilize the sequence in Section 4.3 when developing your response, as well as the below formatting instructions:

- 1" margins
- 12 point font, Times New Roman
- Single spaced
- Maps, photos, or exhibits are included in page count

## 4.2 LETTERS OF SUPPORT

The applicant shall also submit letters of support from named partners.

## 4.3 PROPOSAL QUESTIONS

### **Section 1: Detailed Project Description (6 pages max)**

1. Please provide a detailed description of your proposed project. Questions to consider include, but are not limited to:
  - Describe the desired end goals of a Planning & Capacity grant. What does a successful outcome look like? How does the project align with the districts' long-range or strategic plan? Please be as specific as possible.
  - Please describe the community or communities you intend to serve through this grant. If applicable, please include any information on underrepresented areas or populations and any information that clearly identifies specific needs through resource or needs assessments.
  - What are the producer demographics in your community and estimated adoption rates of climate-smart agriculture? How will a P&C grant help inform your outreach, education, or technical assistance strategies? How will a P&C grant accelerate or scale adoption of climate-smart practices?
  - What is your current experience with measuring/quantifying environmental outcomes, as well as monitoring, reporting, and verifying outcomes? What are the types of partnerships or skillsets you plan to develop? How will this grant help you develop an MMRV plans or capabilities?
  - What are the economic needs within your community and/or producers you intend to serve? How will a P&C grant help you assess barriers and/or identify/test strategies to mitigate them?
  - How do producers currently sell the commodities they grow or raise? What are the barriers to broader participation in markets? What are the major barriers in participating in new or growing climate-smart markets? How will this grant help assess or develop strategies for greater engagement?

### 2. Project Milestones and Timeline

This is a 12 month period of performance. List the project's specific goals, key project milestones, and the proposed timeline for each.

### 3. Project Sustainability

Please describe how this project will move from planning to implementation after the P&C grant term has ended. Include any expected contributions by partners to help support ongoing project activities.

### **Section 2: Applicant Qualifications and Past Performance (3 pages max)**

4. Please describe your organization’s experience supporting grants similar in size and complexity. When possible, list recent project examples, as well as your organization role in supporting successful project outcomes.

If organizational experience and/or expertise is limited, please identify key personnel and describe their experience or how the organization (board and staff) will prepare for project implementation.

5. Please describe how this grant will help enhance conservation districts’ and partners’ capacity to strengthen adoption of climate smart practices, develop MMRV capabilities and plans, and facilitate access to new and growing climate-smart markets.

## SECTION 5: Budget Narrative

### 5.1 INSTRUCTIONS

NACD is in the process of implementing a new grant system. Applicants will be asked to utilize the electronic budget template, as well as submit a supporting narrative. See Section 5.3 for details.

### 5.2 PROJECT ROLES & DEFINITIONS

There are three main roles – the lead partner, project partners, and contractors.

**Lead Partner:** Organization submitting the proposal. Responsible for program administration and success, including but not limited to:

- Coordinate activities and outcomes with project partners and contractors
- Ensure the project achieves the agreed-to goals and milestones
- Monitor progress and risks; develop mitigation strategies to address potential or actual issues or risks
- Ensure quarterly reporting is accurate and timely
- Tracking project expenses and invoicing NACD
- Tracking producer payments
- Ensure the project and expenses are compliant with the scope of the grant and USDA/NACD requirements

**Project Partners** (subawardees): Project partners or subawardees substantially contribute to the success and completion of the overall grant. Consistent with the goals of a grant, these partners also accomplish a public purpose. The terms and conditions of the grant flow down to subawardees, including reporting requirements. In the budget structure, subawardees are classified as “Other,” not “Contract.”

For example, conservation districts may be project partners because they play a key role in conducting outreach and providing technical assistance to producers. The services they provide to their respective communities strengthen resilience and improve our natural resources. MMRV partners may play a key role in quantification, modeling, and facilitating the MRV process. Within this grant program, they are directly supporting USDA’s goal of improving approaches to MMRV (whether through quantification, streamlining MRV processes, etc.). A market partner may be responsible for either purchasing climate-smart commodities or compensating producers for the environmental outcomes achieved. They are directly supporting USDA’s goal of developing or expanding markets for climate-smart goods.



**Contractors:** Contractors provide goods or services required to accomplish the goals and objectives of the grant. In general, contractors adhere to the terms of a contract for goods or services (as opposed to the terms of the grant). This guide can help summarize the difference between subawardees and contractors: <https://oese.ed.gov/files/2020/05/Contracts-vs-Subgrants-Chart-TSL.pdf>

Grantees must follow 2 CFR 200.318-327.

- State governments may rely on their own procurement standard.
- Contracts above \$10,000 must be competitively awarded. Sole-source contracts are generally not allowed.
- Up to \$250,000, recipients may use small purchase procedures (i.e., obtain quotes from preferably three or more suppliers).
- Profit must be negotiated as a separate line item. If you need additional assistance in selecting appropriate procurement procedures, please reach out to [climate@nacdnet.org](mailto:climate@nacdnet.org).

### 5.3 BUDGET STRUCTURE AND LINE ITEMS

Please utilize the below format when estimating project budgets. These categories are consistent with how NACD must report activities/costs to USDA on a quarterly basis (see the “Partner Activities” worksheet in USDA’s PCSC Project Reporting Workbook).

Please note that budgets will be submitted electronically, via NACD’s new grants management system. Additionally, selected projects will be asked to provide annual cost breakdowns quarterly cash flow estimates prior to award. This allows NACD to anticipate cash-flow needs and request advances from USDA, ensuring timely payments to subawardees and producers.

A corresponding budget narrative must also be submitted to describe the expenses anticipated for each line item, how the costs were estimated, and how the expense contributes to the project deliverables.

Budget Line Item	Total
Personnel	
Fringe	
Travel	
Soil Testing <ul style="list-style-type: none"> <li>○ Soil sampling and analysis</li> <li>○ Equipment to support soil testing</li> <li>○ Supplies to support soil testing</li> </ul>	
Equipment	
Supplies	
Contract	
Other <ul style="list-style-type: none"> <li>○ Subawards</li> <li>○ Producer Financial Incentives</li> <li>○ Other</li> </ul>	
Total Direct Costs	
Indirect Costs	
Total Project	



**Please also summarize the total cost associated with:**

Program Management: Costs associated with managing the program, including those that are not captured in the below categories.

Outreach: This includes education and outreach in support of project enrollment.

On-Farm TA: Includes direct technical assistance to producers, including individualized assistance enrolling them into programs.

MMRV support: Includes all MMRV activities, including working with producers to collect and report data. This also includes the time/cost associated with partners reporting environmental outcomes (e.g., reporting quantified outcomes to USDA via the PCSC Project Reporting Workbook, reporting to partners to support Scope 3 claims or participation in voluntary carbon markets).

Marketing: Cost of marketing activities.

Training to partner organizations: Cost of training to partners (not producers), which can enable project success.

## 5.4 BUDGET NARRATIVE

Please provide a narrative for each of the budget line items.

Personnel:

This includes the cost of salaries for employees supporting this project. Please provide the average hourly rate (across all **positions**, for each year) and total annual hours in the budget template. Please annotate any escalation rates applied each year.

In your budget narrative, please summarize the total hours by position. This does not need to be broken down by the 6 work categories (e.g., Outreach & Education, On-Farm TA, MMRV). Please also annotate which position(s) are currently vacant or will be hired based on award of the grant.

Example:

	2024	2025	2026	2027
Program Manager*	100	100	100	100
TA Provider	300	300	300	300
<b>TOTAL HOURS</b>	<b>400</b>	<b>400</b>	<b>400</b>	<b>400</b>
Average Rate	\$30.00	\$30.60	\$31.21	\$31.84
Escalation	2%	2%	2%	2%

*\*Currently vacant and will be hired upon award of the grant.*

Fringe or Overhead:

Fringe costs are typically calculated by applying an average rate to the salary costs. The cost pool typically covers employee benefits such as annual or sick leave, health insurance, and pensions. This varies across organizations.

In your budget narrative, please describe which costs are included in this pool.



# National Association of Conservation Districts

## Travel:

Please estimate the total travel required to support this project (local or otherwise).

In your budget narrative, please also describe how you developed this estimate. Applicants shall also submit a copy of their travel policy. If the organization does not have a policy in place, please consider utilizing the below as a guide:

*To the extent possible, [Organization Name] will conform to the policies set forth in the Federal Travel Regulations. This includes using GSA-established rates for per diem and personally owned vehicle mileage reimbursement rates.*

*As a non-federal entity, [Organization Name] cannot always receive the federally negotiated for hotels, but will leverage GSA rates (including applicable taxes and fees) to assess price reasonableness. Economy flights will be selected; we will not leverage grant funding for paid upgrades (e.g., to first class, business).*

*Should an employee travel for multiple purposes (e.g., to support multiple programs; add personal days to tour a city), this funding will not be utilized for reimbursements. [Organization Name] will prorate travel costs based on the time spent supporting the Climate Smart Commodities grant vs. other programs/purposes.*

## Soil Testing

NACD is tracking costs associated with soil sampling and testing, as well as any sensors or equipment to support monitoring.

Please separate the estimates for soil sampling/testing vs. equipment. In your budget narrative, please describe the frequency of soil samples (if applicable), unit costs of supplies or equipment, quantities, and other cost information to support this request.

The definitions for equipment and supplies are below.

## Equipment

Equipment may be considered on a limited basis and may require USDA concurrence. Equipment is classified as having a unit cost of \$5,000 or greater, otherwise it falls under supplies. Please see 2 CFR 200.313 for contractual requirements associated with equipment purchases.

In your budget narrative, please justify and detail your equipment request. This includes the anticipated unit costs, quantity, description of the equipment to be purchased, vendor (if known) and how it will benefit the project or producers. Please also describe your anticipated procurement process (e.g., name brand, only one vendor, will conduct a cost comparison).

The use of equipment should also be tied to your technical approach.

## Supplies

Supplies are general-purpose consumable items that are used on a regular basis or other tangible items that do not meet the definition of equipment. Supplies have a unit cost of \$5,000 or below.

In your budget narrative, please include the category of supplies needed and the total cost for each category. If total costs for a category exceeds \$10,000, please provide a detailed justification for the request and quote (if available).



# National Association of Conservation Districts

## Contracts

Contracts are defined in Section 5.2 above.

In your budget narrative, please describe whether contractors have committed to supporting this work or if a competition will be conducted. If contractors have committed to supporting this work, please also certify that you have followed the competitive procedures required by 2 CFR 200.318-327.

## Other:

Other costs include:

- Total subawards (defined in Section 5.2 above)
- Producer financial incentives
- Other costs that do not fit into the categories above.

Each Project Partner (defined in Section 5.2 above) must submit a budget narrative and detailed budget breakdown, by year. The sum of subawards may be rolled up into “Total Subawards” for the lead partner.

The budget for producer financial incentives should be included under “other.” In the budget narrative, please describe your methodology for estimating this line item.

## Modified Total Direct Costs (MTDC)

MTDC is the base to which indirect cost rates are applied. This is the sum of:

- Salaries
- Fringe
- Travel
- Supplies
- Contracts
- The first \$25,000 of each subaward

MTDC excludes equipment, capital expenditures, charges for rent, tuition remission, participants support costs, and the portion of each subaward in excess of \$25,000. Producer financial incentives are also excluded from MTDC calculations.

Please show how MTDC is calculated in the budget narrative.

## Indirect Costs

Please see NACD’s [guidance on indirect costs](#) to determine how or if you should apply an indirect cost rate. We recognize that some grantees may not have the financial or accounting policies in place to allocate/track indirect costs and may therefore only budget for direct charges.

If a grantee or subawardee elects to apply an indirect cost rate, NACD also encourages utilization of the 10% de minimis rate.

While grantees are eligible to utilize their Negotiated Indirect Cost Rate Agreements (NICRA), if the indirect rate is very high it may impact your evaluation (e.g., cost-effectiveness of the overall budget relative to outcomes). Please note that if an organization utilizes the de minimis rate instead of its NICRA, it may claim the foregone indirect costs as project match. Organizations with a NICRA shall also submit a copy of the latest approved version.

## Match



## National Association of Conservation Districts

Match may be cash or in-kind, but must be derived from non-federal sources.

Some grants (e.g., other Climate Smart Commodities grants; some National Fish and Wildlife Service grants) are administered by a non-federal partner, but the source is still federal funding. In this case, funds cannot be counted as match.

In your budget narrative, please describe the sources of match and whether they are committed or anticipated. Please note that match contributions must also be reported to USDA on a quarterly basis.