### Oklahoma Department Of Agriculture, Food And Forestry Resilient Food Systems Infrastructure Program Questions And Answers (Q&A)

#### **Q:** Can an applicant apply for equipment under the infrastructure grant?

A: Yes; equipment can be included as part of an infrastructure grant.

#### Q: Is a product such as bone broth eligible for RFSI funding?

A: Bone broth would not be an eligible product per USDA ruling because it is considered a meat/poultry product. However, products containing bone broth or meat/poultry may be eligible depending on requirements established by the State.

#### **Q:** Would a company producing a product that contains meat/poultry be eligible?

A: Oklahoma has established that up to 25% of the ingredients of a processed food item using the requested equipment or facility may be from a product that otherwise would be ineligible such as meat and poultry products.

# Q: If a project or facility may benefit ineligible commodities (e.g., a processing facility that will process both vegetables and meat) or stages of the supply chain (e.g., a building holding both processing and retail facilities), what should applicants do?

A: Applicants should demonstrate that tracking mechanisms are in place to ensure that RFSI funds do not support unallowable costs. Funds can be divided proportionally based on a reasonable system, such as square footage for construction projects, receipts of actual costs paid for supplies, hours worked for staff time, etc.

#### Q: Would a Food Bank or food pantry be eligible for RFSI?

A: USDA has established that food banks/pantries are considered end of the supply chain and therefore ineligible to apply.

### **Q:** Can RFSI funding be used to fund a project that transports donated food to recipients in other locations?

A: RFSI funds cannot be used to deliver directly to consumers, as this is not considered to be the middle of the supply chain. Transportation between aggregation centers or from a distribution center to a market would be allowable.

#### **Q:** Will RFSI have multiple application periods?

A: At this time, RFSI has funding for only one application period and is planned as a one-time program.

### **Q:** Would a company with processing facilities in multiple states be eligible to apply for RFSI in each of those states?

A: Companies may apply in multiple states in which they have processing facilities but cumulative awarded amount may not be more than the maximum allowed by USDA.

#### **Q:** What should be the start and end date of the project?

A: RFSI projects should plan to begin no earlier than October 2024 and must end by May 2027. All costs outside of these dates would be considered unallowable

### **Q:** Can projects have multiple parts or facets, such as both increasing storage and seeking energy savings?

A: Yes, RFSI Infrastructure Grant projects may combine multiple elements that support the middle of the supply chain.

#### Q: Can RFSI funds be used to purchase used or pre-owned equipment?

A: Yes, pre-owned equipment may be purchased, provided it is in good working order.

### **Q:** What costs are allowable construction costs? Can construction costs include design costs?

A: Construction costs can include administrative and legal expenses, structures, relocation expenses and payments, architectural and engineering fees, project inspection fees, site work, demolition and removal, construction, and miscellaneous expenses related to modernizing or expanding a new or existing facility. Architectural fees can include those associated with design.

## **Q:** Are Infrastructure Grant applicants required to submit documentation to substantiate the costs of special purpose equipment?

A: Yes, applicants should submit documentation to substantiate the costs of each piece of equipment, which can include contracts, catalog pricing, or binding quotes provided by licensed commercial entities.

#### **Q:** Can costs or items requested be adjusted during the grant if a project is approved?

A: Yes, as long as the original goals of the project are met, and changes are reasonable. Prior approval from ODAFF will be required before purchase is made.

#### **Q:** How much detail should applicants include to support their requested budget?

A: ODAFF recommends providing as much detail, support, and documentation as available at the time of application. It is understood that exact contractors or consultants may not be known, costs of equipment and supplies may fluctuate, employees may leave or join an organization, etc.

#### **Q:** What are examples of matching funds?

A: Match may consist of cash match, in-kind contributions, or any combination thereof. Note that all costs must be allowable under the grant conditions; costs such as construction costs,

salary costs, equipment costs, the cost of hiring a contractor/consultant, etc. are all allowable and thus qualify as matching costs while, for example, land purchases are not allowable and thus cannot be used as matching funds

#### Q. Can matching funds be spent before the grant is awarded?

A. Cost occurring after May 2023 may be used as match as long as the funds are for items allowable for RFSI. All pre-award costs must adhere to Section 8.0 of the USDA, AMS General Terms and Conditions. These costs and associated activities must be included in the recipient's project narrative and budget justification as pre-award matching funds to be approved. All costs incurred before the award are at the potential recipient's risk.

### **Q:** Are RFSI projects subject to the requirements of the Build America, Buy America (BABA) provisions of the Infrastructure Investment and Jobs Act?

A: Any public infrastructure project funded under RFSI must adhere to BABA provisions. ODAFF will assist recipients with this process per AMS guidance. For such projects, the recipient must comply with the Buy America Sourcing requirements outlined in the (BABA) provisions of the Infrastructure Investment and Jobs Act (https://www.congress.gov/bill/117th-congress/house-bill/3684/text). BABA is not applicable to for-profit entities or projects where the total federal funding is below the Simplified Acquisition Threshold of \$250,000. For more information, refer to 2 CFR Part 184 (https://www.ecfr.gov/current/title-2/part-184).

## **Q:** Are RFSI projects subject to the requirements of the National Environmental Policy Act (NEPA)?

A: All activities funded under RFSI must comply with NEPA and related applicable agency regulations and instructions, Section 106 of the National Historic Preservation Act (NHPA), the Endangered Species Act (ESA), other laws and regulations as outlined therein, and any applicable state, local, or tribal laws. A review for NEPA compliance is required prior to the award of grant funds. If selected for an award, applicants must provide all requested information to support compliance with NEPA, NHPA, ESA, and all other federal environmental laws and regulations. For more information, refer to "A Citizen's Guide to NEPA" (<u>https://ceq.doe.gov/docs/get-involved/citizens-guide-to-nepa-2021.pdf</u>).

# Q: Can a proposed project take place on property not owned by the applicant; for example, could an organization that is leasing land or property use RFSI funds to upgrade equipment on that property?

A: Applicants who will make upgrades to land or property that they do not own should submit a Critical Resource Infrastructure Letter with their application to demonstrate that they have the approval of the property owner to do so. A template can be found here: <u>https://ag.ok.gov/resilient-food-systems-infrastructure-program/</u>