

McGovern-Dole FY2023 Notice of Funding Opportunity Q&A

Final Questions received by 04/21/2023

1. Q: Following questions regarding the local and regional procurement (LRP) budget:

- a. How do we present the LRP budget, should it be a separate it as an activity?
- b. Should LRP budget include not only the commodities but also other costs such as transport cost, staffing, etc that is required to deliver LRP to schools?
- c. If yes, should the total budget for LRP (including the transport costs, staffing, etc) not exceed 10 percent of the total proposed project?

A: The Applicant should present the LRP budget in both the Budget Summary and the Budget Narrative. In the Budget Summary, costs should be presented under the Commodity and Food Purchases section, with associated costs included in the relevant line items under Administration, ITSH and Indirect Costs. In the Budget Narrative, as written under 4. G. (ii) Budget Narrative, page 38 and 39, Applicants should present the LRP budget in this section through a summary budget of the local and regional procurement costs. An example on how the LRP budget summary should be presented is available under Appendix E – Budget Narrative Example. This budget may be composed of costs found in multiple lines of the budget summary and therefore it may not be possible to separate out as an activity.

The amount allocated for the LRP component should include both the direct and indirect costs of purchasing local or regionally produced commodities. This should also include the associated costs, including the transportation, storage, handling, and other costs associated with the locally and regionally procured commodities. It will not include capacity building costs nor cost share. This information can be found on page 39 of the NOFO.

As stated throughout the NOFO, applicants are encouraged to allocate approximately 10 percent of their total proposal budget for the local and regional procurement component. If an Applicant is successful, the exact monetary amount (in U.S. dollars) that can go towards the local and regional procurement component will be communicated in the Notice of Award. Applicants will not be marked down during the proposal review stage if they slightly exceed the 10 percent of the total proposed amount (for example, 11 percent of the total proposed budget).

2. Q: [Regarding the LRP budget] What should the % of the total budget be? In the NOFO, page 68, shows an example where the LRP budget was 11% of the award value. In the Q&A of March 6th, this was mentioned. “In accordance with USDA’s current policy and annual appropriations, Applicants must ensure that LRP budget does not exceed 10 percent of the total proposed project.” What should we follow?

A: Applicants should follow the NOFO as stated on page 10, 22, and 38, where Applicants are strongly encouraged to allocate approximately 10 percent of the total proposed federal award amount for local and regional procurement. Applicants will not be marked down during the

proposal review stage if they slightly exceed the 10 percent of the total proposed amount (for example, 11 percent of the total proposed budget).

The response to Q 4. from the Q&A document on March 17, 2023, should be corrected to read (changes from initial response underlined):

The Consolidated Appropriations Act of 2023 states for McGovern-Dole, "that of the amount made available under this heading, not more than 10 percent, but not less than \$24,300,000, shall remain available until expended to purchase agricultural commodities..."

In accordance with USDA's current practice and annual appropriations, Applicants are encouraged to propose an LRP budget that is approximately 10 percent of the total proposed federal award amount.