

LOCAL MEAT CAPACITY GRANTS (LOCAL MCAP)

FREQUENTLY ASKED QUESTIONS (FAQ)

PROGRAM INFORMATION

Q: What is the Local Meat Capacity Grant?

A: This program supports independently owned meat and poultry processing businesses with funds to provide more and better processing options for local livestock producers by modernizing, increasing, diversifying and decentralizing meat and poultry processing capacity, including support for rendering.

FUNDING PRIORITIES

Q: Are there priority considerations for the Local MCap program?

A: AMS will prioritize applications that demonstrate engagement with and benefit to local livestock producers, including underserved producers. See section 1.3.5 Funding Priorities of the RFA for additional information.

Q: Do the Project Types outlined in the RFA mean that applications must address at least one of the 2 Project Types listed?

A: Yes. In this program, applicants may only apply under one of the following project types:

- Processing Expansion Projects (See section 1.3.2 of the RFA)
- Simplified Equipment-Only Projects (See section 1.3.3 of the RFA)

Q: What is the minimum and maximum amount of the award?

A. Minimum and maximum award amounts for each project types are as follows:

Project Type	Duration (Months)	Minimum Award	Maximum Award
Processing Expansion Projects	36	\$100,000	\$5,000,000
Simplified Equipment-Only Projects	24	\$10,000	\$250,000

ELIGIBILITY INFORMATION

Q: Who is considered eligible to apply for the USDA Local MCap Program?

A: Eligible applicants for Local MCap grants include sole proprietor businesses or other business entities (regardless of legal structure) engaged in meat and poultry processing or rendering, including Tribes and Tribal Entities, for-profit entities, non-profit entities, and State or local government entities. Private entities must be independently owned and operated, and all applicants must be domestically owned.

For the purpose of this grant, an existing operation can include an entity who is restarting an existing facility (e.g., reopening a plant with a new owner).

Q: Can we apply for a Local MCap program award if our non-profit (501)(c)(3) status is still pending with the IRS?

A: Yes. If an award is offered, the applicant would need to verify their (501)(c)(3) status to receive the Local MCap award.

Q: Does an applicant need to have existed for a minimum amount of time to be eligible to apply?

A: No. However, applicants should consider the financial management and reporting requirements for a federal award when deciding if they have the capacity to take on and manage a federal award.

Q: Can meat or poultry processing facilities that have an MPIRG award from either FY21 or FY22 apply for funding under Local MCap?

A: Entities that received grants under the AMS Meat and Poultry Inspection Readiness Grant (MPIRG) program LMCG grant may apply for this program, but they must successfully complete and close out their MPIRG grant before being awarded a Local MCap grant award.

Q: Can an organization submit more than one application?

A: No, an organization can only be the lead applicant on one application. However, an organization can appear on multiple Local MCap applications as partners if they are not paid from both agreements for the same work.

Q: Are seafood processors included in this opportunity?

A: Only catfish of the order of Siluriform are included in the Federal Meat Inspection Act (FMIA).

APPLICATION PROCESS

Q: How can I get in touch with staff at AMS to talk about applying for a Local MCap award?

A: Please email LocalMCap@usda.gov and a member of our team will respond to your email within 2 business days.

Q: Does the Project Narrative page limit (of 15 pages?) exclude required documents such as key staff resumes?

A: Yes. The page limit only applies to content entered on the Project Narrative template itself. Other required documents such as commitment letters and key staff resumes do not count towards this limit.

Q: What type of attachments can be submitted with the application?

A: In terms of the attachments, we ask that applicants only include the attachments that were directly asked to be included within the application package (resumes, letters of support, letters verifying matching funds, negotiated indirect cost rate agreements (if applicable), equipment price quotes project beneficiaries questionnaire and the accounting system and financial capability questionnaire, equipment price quotes, evidence of critical resources and infrastructure template letter). Any additional attachments included in the application may not be read by reviewers.

Q: How are attachments uploaded in Grants.gov?

A: The completed – signed project narrative template must be attached to the “Project Narrative Attachment Form” on the application package. All other attachments must be attached to the Grants.gov application package using the “Add Attachments” button under Form SF-424 item #15. When uploading attachments, click the “Add Attachments” button (do NOT use the “paperclip” icon in Adobe Reader). If you use the “paperclip” icon in Adobe Reader, the attachments will not be received with the application package.

Q: Can AMS staff review a draft of my application prior to submission?

A: No, AMS cannot review draft applications before they are submitted through Grants.gov because this is a competitive grant application process. However, if you have specific questions about allowable costs and activities, you are welcome to reach out to us via email at LocalMCAp@usda.gov.

Q: Can I submit my application by fax, email, postal mail, or hand delivery?

A: No. AMS will not accept applications submitted by fax, paper, email, postal mail, or hand delivery. All applications must be submitted electronically through Grants.gov.

Q: Who should provide resumes and CVs for within the application?

A: Resumes of the members of the Project Team should be included with the Narrative Form as an attachment. The Project Team is the key staff who will collectively manage the financial and operational decisions of the Local MCAp project.

GRANTS.GOV INFORMATION

Q: What does AOR stand for?

A: AOR is the Authorized Organization Representative, which is the person who has the authority to sign and submit grant applications on behalf of the company, organization, institution, or government. AOR's are authorized by their EBiz POC (E-Business Point of Contact) so they can submit applications on behalf of their organization.

Q: How do you become or register to be an AOR?

A: You would first register as an applicant on Grants.gov. Once you have a UEI and your organization has an active SAM account, your EBiz POC will receive an email notifying them that you have registered and need to be authorized.

Q: What is EIN?

A: The EIN is the Employer Identification Number. This number is assigned by the IRS.

Q: How do I know if my application was submitted on time?

A: After you submit your application to [Grants.gov](https://www.grants.gov), you (the AOR) will receive an automatic notification of receipt from the system that contains a Grants.gov tracking number and official date/time stamp of application submission. This notification ONLY indicates receipt by Grants.gov and does not indicate receipt by AMS. Grants.gov may also send you an error message if your application was not submitted correctly. If application submission passes Grants.gov validation, AOR will receive a second electronic acknowledgment of receipt. Once USDA-AMS has retrieved application from Grants.gov, AOR will receive a third email notification. Lastly, if AMS assigns its own agency tracking number/notes a fourth email is sent to AOR.

Q: Can we apply before having the Unique Entity Identifier (UEI) and SAM.gov registration?

A: No, you must first have your UEI number to register in SAM.gov. In order to apply as an organization you must have an active SAM account.

Q: Do I have to register before I can see the requirements of the grant application?

A: No, you do not have to register in Grants.gov to view the opportunity and download it. Also, you can access the Request for Application, and the required documents on the program website, under the “How to apply” tab. However, you must be registered in Grants.gov to apply.

Q: Is the EBiz POC someone in my organization or a federal employee?

A: The EBiz POC is a member of your organization and is often the person that oversees the business operations. The EBiz POC is the one that registers the organization in SAM. EBiz POC is responsible affiliating and assigning roles to all applicants registered in Grants.gov on behalf of the organization.

Q: Can the EBiz POC and AOR be the same person?

A: Yes. In that case, you’d need two accounts/log-ins. One to serve in each capacity.

Q: Can an organization have multiple EBiz POC’s?

A: No, you can only have one EBiz POC but may have multiple AOR’s.

Q: How do I contact Grants.gov if there is an issue with my registration?

A: You may contact the Customer Contact center by either e-mail support@grants.gov or phone 1-800-518-4726. You can also use the Self Help link <https://grants-portal.psc.gov> to find answers to common questions.

SAM REGISTRATION

Q: If we already have a UEI, can we go straight to SAM.gov?

A: Yes. SAM registration can take up to 2 weeks, and often longer, to complete so register early. Check the [SAM.gov website](https://sam.gov) for additional login procedures.

Q: If I have already had a SAM.gov account, do I have to do anything else?

A: Yes, you must be sure that your SAM.gov account is up to date. If the account expired, you must renew your account before applying.

Q: Do I have to pay to activate a SAM.gov account?

A: No, registering and renewing a SAM.gov account is completely free. If you received notification on having to pay to renew your account beware that it is likely a SCAM and should be reported to the appropriated authorities.

Q: Do I need to have an active SAM.gov registration to receive payments?

A: Yes. You must have an active SAM registration for the agency to process your claims/payments. If the UEI is showing inactive in the Payment Management System (PMS), the payment will not be processed. It is the responsibility of the organization to contact SAM.gov to renew the registration annually.

MATCHING INFORMATION

Q: What is cost sharing or matching?

A: Cost sharing or matching is the portion of project costs not paid by the Federal funds, which could be cash and/or in-kind contributions. Cash can be a financial outlay, or cash donations from non-Federal third parties. In-kind can be the value of non-cash contributions typically in the form of value of personnel, goods, and services, including direct and indirect costs. Other Federal funds cannot be used as match. (See 2 CFR §§ 200.1 and 200.306.)

Q: How should an applicant document if they qualify for reduced match?

A: Qualifying applicants should self-certify in their project narrative to be eligible for the reduced match to 25% match for the equipment and processing expansion projects grant award. See question 4 of Processing Expansion Project Narrative Template.

Q: Can unallowable costs be brought as an in-kind or cost share match?

A: No. Only costs allowable under Subpart E of the Cost Principles can be brought as a match. The basis for determining the value of cash and in-kind contributions must be in accordance with 2 CFR § 200.306.

Q: Can land, buildings or labor count as in-kind matches?

A: Donated land and/or buildings cannot be used as an in-kind match. Labor/personnel may be used as a match as long as you are only bringing the percentage of time the person is working on the project. For example, if someone is only spending 15% of their time working on the project, then you can only bring that 15% to the project as a match. Also, you must ensure that what you would normally pay that individual is reasonable according to standard personnel rates for similar positions in your geographic locality.

Q: Can unrecovered indirect cost be used as part of the cost sharing or matching?

A: Yes, it is allowable to use unrecovered indirect costs as part of cost sharing or matching. Unrecovered indirect cost means the difference between the amount charged to the Federal award and the amount that could have been charged to the Federal award under the potential recipients approved negotiated indirect cost rate.

Q: Does the non-federal match have to be confirmed at the time of proposal submission or can it be lined up by the time of the award?

A: All matching contributions must be committed or in place when the proposal is submitted to AMS. Additional anticipated matching funds not in place by the time the project commences cannot be counted toward the matching requirement. Match verification letters are required to be submitted with the application.

Q: How many match verifications letters do I submit?

A: An applicant must submit one letter verifying the match for EACH cash and/or in-kind resource signed by the matching organization. Each application requires written verification of match commitment from the applicant and/or any third party who will contribute cash and/or in-kind matching non-Federal resources. Letters may be submitted in either PDF or MS Word formatting. Letters must be signed.

Q: Can I use pre-award costs to count towards the match requirement at time of application?

A: No, only costs that are incurred within the period of performance can be used as a match source.

ALLOWABLE/UNALLOWABLE COSTS

Q: Can Local MCap funds be used to purchase land or buildings?

A: No. It is unallowable to use Local MCap funds for the acquisition of buildings, facilities, or land. This noted, funds may be used to rent a building or facility for project-specific purposes, during the project's period of performance.

Please see the [Program Specific Terms and Conditions](#) and the [AMS General Terms and Conditions](#) for more information.

Q: Can funds be used for construction?

A: Local MCap funds may be used for improvements, rearrangements, or alterations of an existing building or facility to use a space more effectively and to accommodate new or upgraded equipment and processes.

Funds may NOT be used for new construction of buildings/facility or structural changes to an existing building/facility resulting in a square foot expansion or requiring changes to the building's floor, foundation, and exterior or load bearing walls.

Please see the [Program Specific Terms and Conditions](#) and the [AMS General Terms and Conditions](#) for more information.

Q: Could you provide additional information on what qualifies as "special purchase equipment?"

A: Please see the [Program Specific Terms and Conditions](#) and the [AMS General Terms and Conditions](#) for more information on special purpose equipment.

Q: What are the reporting requirements and timelines for administering a Local MCap program award?

A: The grantee's administrative duties for the Local MCap program (including reporting requirements) are explained in more detail in the [AMS General Terms and Conditions](#).

Q: Would only the applicant staff go under Personnel and all other Project Team partners go under Contractual?

A: Yes. The applicant would list all personnel and fringe benefit costs for its project staff under those budget sections, and partner costs would be listed in the Contractual section.

Q: Are administrative fees allowable under the Local MCap program?

A: The Local MCap program allows for the inclusion of indirect costs (also known as Facility & Administration Fees) as part of the project budget for both Processing Expansion Projects and the Simplified Equipment-Only Projects.

More information on indirect costs can be found in the section 4.2 of the RFA.

Q: Are the maximum award amounts inclusive of indirect/administrative costs?

A: Yes.

Q: Can funds be used to purchase vehicles?

A: The [Program Specific Terms and Conditions](#) outline the allowable costs related to special purpose equipment.

Q: How will purchased equipment be monitored?

A: Purchased equipment will be monitored by AMS as required by [2 CFR § 200.313](#).

Q: Can operational and financial support staff be written into the budget as direct costs?

A: Yes, administrative and clerical staff are normally treated as indirect costs, however, these costs can be direct costs if the conditions outlined in [2 CFR 200.413\(c\)](#) are met.

Q: Are applicants able to use a Negotiated Indirect Cost Rate Agreement (NICRA)?

A: Yes. USDA is required to accept the Negotiated Indirect Cost Rate Agreement (NICRA) from those entities that have one. Any non-Federal entity that does not have a current negotiated (including provisional) indirect cost rate, except State and Local Government and Indian Tribe Indirect Cost Proposals, may elect to charge a de minimis rate of 10 percent of modified total direct costs (MTDC). See section 4.2 of the RFA for more details on indirect costs.

Q: Can a Federal agency or pass-through entity allow a non-Federal entity with a negotiated indirect cost rate to voluntarily charge less than or waive their indirect rate to an award?

A: The non-Federal entity should consult with the Federal agency or pass-through entity. If a non-Federal entity receiving a Federal award or subaward voluntarily chooses to waive indirect costs or charge less than the negotiated indirect cost rate, Federal awarding agencies and pass-through entities may allow this. The decision must be made solely by the non-Federal entity that is eligible for indirect cost rate reimbursement and must not be encouraged or coerced in any way by the Federal awarding agency or pass-through entity.