Farm Bill Section 10007 Program
Frequently Asked Questions (FAQs)
June 2016

The U.S. Department of Agriculture's Animal and Plant Health Inspection Service (APHIS) is charged with implementing Section 10007 of the 2014 Farm Bill to prevent the introduction or spread of plant pests and diseases that threaten U.S. agriculture and the environment. Under the Farm Bill, APHIS provides funding to strengthen the nation's infrastructure for pest detection and surveillance, identification, and threat mitigation, while working to safeguard the nursery production system.

Section 10007 includes the Plant Pest and Disease Management and Disaster Prevention Program and the National Clean Plant Network. The Agriculture Act of 2014 (H.R. 2642 / Pub. L. 113-79) combined the language from Section 10202 of the 2008 Farm Bill (the National Clean Plant Network) with the language from Section 10201 (Plant Pest and Disease Management and Disaster Prevention Programs) into a single amendment to the Plant Protection Act.

Section 10007 authorizes permanent funding for the Plant Pest and Disease Management and Disaster Prevention Program and the National Clean Plant Network (NCPN), with $62.5 million in Commodity Credit Corporation funding allocated by Congress each year from FY 2014-FY2017 and $75 million per year in FY 2018 and beyond. At least $5 million must go to NCPN each year.

The following information addresses basic questions regarding the Section 10007 suggestion submission and evaluation process. For more information, visit APHIS' Farm Bill Section 10007 website at: www.aphis.usda.gov/farmbill

I. Requesting Section 10007 Funding

How much funding is available in FY17?

There will be $62.5 million available in FY17 with at least $5 million going to the NCPN.

Are there any limitations for how Section 10007 funding can be used?

To ensure its consistent and proper use per Congressional intent, Farm Bill Section 10007 funding should not be used to:

- purchase vehicles,
- build new structures,
- pay the salaries* of permanent APHIS-PPQ staff, or
- develop IT applications, systems, etc.* that have not been previously approved by APHIS-PPQ.

* Requests for exceptions must be reviewed by the Farm Bill Management Team and approved by the PPQ Deputy Administrator. In addition, requests to use Farm Bill funding for IT projects must also be approved by the PPQ IT Governance Board.

Can States request Section 10007 funding to fill gaps created when Federal pest program funding is reduced or eliminated?

The program is not intended to specifically address fiscal challenges. While a cooperator could request funding that meets a need generated by a reduction or loss in funding to a particular program, that suggestion must still meet the requirements for Section 10007 funding.

Will some States be automatically given more funding than others?

States that have frequent incursions of high consequence plant pests as a result of the number of international ports of entry in the State, the volume of international passenger and cargo entry into the State, the geographic location of the State, and a host range or climate that is conducive to pest establishment, are likely to receive higher levels of funding. That said a State will not automatically be given a set amount of funding. All decisions regarding the distribution of funding, including decisions about continued funding of ongoing work will be made in a transparent manner using clearly communicated criteria.

II. Submitting a Suggestion

How do I submit a suggestion?

Suggestions must be submitted electronically using the Farm Bill Metastorm application. The Suggestor must have an eAuthentication or a Metastorm BPM Server password to access the system. Suggestions submitted through other means will not be accepted. Instructions and self-guided tutorial for getting a password and submitting suggestions will be made available on APHIS' Farm Bill Section 10007 website at: www.aphis.usda.gov/farmbill

What should be included in a suggestion?

In addition to basic information about the suggestion (such as suggestion title, budget estimate, and contact information for the individual submitting the suggestion), stakeholders should provide the following:

- How the suggestion aligns with Section 10007 goals, objectives and strategies, as defined in the *FY17 Implementation Plan*, which is posted on the APHIS' Farm Bill Section 10007 website at: www.aphis.usda.gov/farmbill. The potential or expected impact and deliverables of the suggestion.
- The proposed technical approach.
- The roles and responsibilities of any cooperators or institutions likely to participate in carrying out the suggestion. *Note:* Federal entities are also required to include the percentage of total budget that would be provided to each non-Federal cooperator or participating institution.
- Relevant prior experience and accomplishments to date (specifically for renewing projects previously funded through FB Section 10007).

Stakeholders are strongly encouraged to discuss proposals with appropriate PPQ Program Managers and all cooperators prior to submitting proposals.

Who is eligible to submit a suggestion?

Federal and State agencies, non-profit organizations, tribes, colleges and universities are all eligible to submit a suggestion.

May a foreign entity submit a suggestion?

Foreign entities are not allowed to submit a suggestion; however, they may collaborate with a domestic entity who would submit a suggestion. The suggestion should describe why it is necessary to engage foreign collaborators to accomplish proposed activities.

Can stakeholders submit more than one suggestion?

There is no limit to the number of suggestions an individual or entity can submit.

What is the difference between a group suggestion and single entity suggestion?

If there will be multiple cooperators working together to accomplish a single project and APHIS will establish separate agreements with each cooperator, that suggestion is considered a "group suggestion." In a group suggestion, only one cooperator needs to submit the suggestion for the group. The submitting cooperator needs to include the name and institution of each cooperator that will have a separate cooperative agreement with APHIS, each cooperator's state, and the amount of funding that each cooperator (including the submitter) will receive. Funding for all cooperators listed must add up to the total budget requested.

If all of the funding will be transferred to one cooperator through a single agreement, that suggestion is considered a "single entity suggestion." Any subsequent distribution of funds to sub-cooperators within the project would be managed by the cooperator, not APHIS. Although not required for a single entity suggestion, you may want to list the entities with whom you will cooperate or subcontract and include a breakdown of funds to be distributed in the "Contractual" budget category. This will help reviewers understand how funds will be allocated to carry out the project.

Do suggestions that propose to continue ongoing work have preferred status?

Suggestions that request continued funding for ongoing work will be reviewed and evaluated using the same criteria that will be applied to new suggestions. The fact that a suggestion received funding in prior years does not guarantee renewed funding.

Do suggestions have to focus on specialty crops?

Suggestions should focus on specialty crops; however, the program will consider unexplored opportunities or emerging pest threats outside the specialty crop arena in all goal areas.

Do suggestions have to focus on PPQ quarantine pests?

Suggestions that address pests that could potentially threaten U.S. agriculture will be considered even if those pests are not listed as PPQ quarantine pests.

I just established my FY16 agreement with APHIS and I won't have an FY16 accomplishment report to submit with my FY17 suggestion. What should I do?

In this situation, the cooperator should submit the FY15 accomplishments report (if this is a multi-year project) and/or a status report of activities completed to date (if any) under the FY16 agreement. The suggestion form will allow reports to be attached as well as including a narrative section to further outline status report of accomplishments.

III. Developing the FY17 Spending Plan

What is the timeline for developing the FY17 Spending Plan?

Currently, the proposed timeline for developing the FY17 Spending Plan is:

- July 11 (2016), the FY17 open period begins
- August 19 (2016), the FY17 open period closes
- August 22 (2016), the FY17 evaluation process begins
- October (2016), the FY17 Draft Spending Plan is developed
- November (2016), Departmental Review
- January (2017) proposed FY17 Spending Plan release

How will the review process work and what criteria will be used to evaluate suggestions?

Suggestions will be reviewed by Goal Teams that will include representatives from APHIS, the National Plant Board, other federal agencies, tribal nation representatives, the Specialty Crop Farm Bill Alliance, and the university system research community.

All Section 10007 Goal Teams will use the same criteria to evaluate the strategic alignment, impact, feasibility, past performance, use of best practices, and innovation of each suggestion.

After all Section 10007 Goal Teams complete their evaluations, the Teams will meet to discuss preliminary funding priorities in an effort to identify synergies across goal areas. The Goal Teams will work to ensure that the recommended Spending Plan addresses critical needs and opportunities to strengthen prevention, detection, and/or mitigation efforts. Because this is not a competitive grant program, APHIS has significant flexibility to create a recommended spending plan that addresses the goals of Section 10007.

IV. Establishing Cooperative Agreements

Once the final Spending Plan is released, when will APHIS make funds available?

APHIS anticipates publishing the final FY17 Spending Plan in January (2017), or sooner, if possible. Funds will be made available to cooperators shortly thereafter. Every effort will be made to provide

funds to cooperators as quickly as possible, especially in those cases where ongoing work might suffer as a result of a lapsed agreement.

After the Spending Plan is released, when should cooperators submit their work plans and detailed financial plans?

Cooperators will be contacted by APHIS to initiate the process of establishing cooperative agreements. Cooperators that are renewing agreements may submit their fiscal year work and financial plans as soon as they are ready. Guidance for establishing overlapping or back-to-back agreements is provided in the responses to the questions below. Cooperators establishing new agreements are encouraged to submit their work and financial plans as soon as possible.

May states have overlapping agreements?

States may have overlapping agreements, but only if the work to be performed under the current fiscal year agreement is different from that occurring under the previous fiscal year agreement. New fiscal year funding cannot be used to finish previous fiscal year work. In addition, cooperators with overlapping agreements must submit to APHIS separate reports and requests for payment for each agreement.

May states structure agreements so that they run back-to-back?

Yes. In those situations where the work funded by a prior year agreement must be completed for FY17 work to begin, the effective start date of the FY17 agreement can be in the future. The FY17 agreement must be signed and work must begin on or before September 30, 2017. Please remember that funds received in FY17 cannot be held for use in FY18 even though the agreement's performance period is one year and may not end until sometime in 2018. Work of some nature (such as planning or procurement) must commence in FY17.

What is the percentage of allowable overhead a cooperator may charge?

The 2014 Farm Bill restricts indirect costs charged against a cooperative agreement under Section 10007 to be the lesser of 15% of the total Federal funds provided under the cooperative agreement or the indirect cost rate applicable to the recipient as established by law (this is the Negotiated Indirect Cost Rate or NICRA).

Farm Bill funds are not appropriated funds, but are a special funding opportunity provided by Congress. Therefore, the 10% cap on indirect costs as applied to the total direct cost of an agreement mandated for universities and other non-profit institutions under the Consolidated Appropriations Act does not apply. Rather, because the NICRA for universities is almost always higher than 15% of the total agreement, the 15% cap for Farm Bill Section 10007 agreements applies.

Example: To calculate the maximum allowable Indirect Costs it is useful to know that 15% of the Total Agreement Amount is equal to 17.647% of Total Direct Costs.

If your budget was $21,250 salaries and benefits, $21,250 supplies, $21,250 equipment and $21,250 travel then:

Total Direct Costs = $21,250 + $21,250 + $21,250 +$21,250 =$85,000
Indirect Costs = $85,000 x 0.17647 = $15,000 √
Total Award = $85,000 (Direct Costs) + $15,000 (Indirect Costs) = $100,000

Math Check: Total Award = $100,000; maximum Indirect Costs are 15% of Total Award, so 15% of $100,000 = $100,000 x 0.15 = $15,000 √

In this Example, if the cooperator had a negotiated indirect cost rate (NICRA) of 40% of salaries and benefits, then:

40% of $21,250 = $21,250 x 0.4 or $8,500.

Since $8,500 is less than 15% of the Total Award ($15,000), the lesser applies and the cooperator would be limited to Total Indirect Costs of $8,500.

However if the budget were: $50,000 salaries and benefits, 15,000 supplies, $15,000 equipment and $5,000 travel = $85,000 Total Direct Costs then:

40% (NICRA) of $50,000 (NICRA applied to salary and benefits) = $50,000 x 0.4 = $20,000

Since $20,000 is greater than the 15% cap on Total Award (15% of $100,000 or $15,000), then the Indirect Costs for the agreement would be capped at $15,000.

V. Requesting Feedback

Is it possible to get feedback on my suggestion if it wasn't included in the Spending Plan?

Yes. To obtain feedback specific to a suggestion that wasn't included in the FY17 Spending Plan, please send an email to farmbillsection10007@aphis.usda.gov that includes your name, phone number, the title of your suggestion, and the suggestion number. A representative from the Goal Team that reviewed your suggestion will contact you. General information regarding Farm Bill, Section 10007 is available online at www.aphis.usda.gov/farmbill