



Food and
Nutrition
Service

March 3, 2023

Braddock
Metro Center

SUBJECT: FY 2023-2024 FMNP e-Solution Grant: Notice of Funding Availability

1320
Braddock
Place
Alexandria,
VA 22314

TO: Regional Directors
Special Nutrition Programs
All FNS Regional Offices

Regional Directors
Grants Management and Administrative Services
All FNS Regional Offices

FMNP State Agency Directors
All FMNP State Agencies

The American Rescue Plan Act of 2021 (P.L. 117-2, ARPA) provided the United States Department of Agriculture (USDA) with \$390 million, available through FY 2024, to carry out outreach, innovation, and program modernization efforts to increase participation and redemption of benefits for both the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) and the WIC Farmers' Market Nutrition Program (FMNP).

As part of the FMNP innovation and modernization efforts under ARPA, FNS will provide funds through non-competitive grants to FMNP State agencies, including Indian Tribal Organizations (ITOs) and territories, to complete projects aimed at modernizing benefit delivery via procurement of web-based mobile benefit delivery software. This transition to electronic transaction technology in FMNP is important so WIC families can keep using benefits to purchase fresh and locally grown fruits and vegetables and farmers can participate using similar payment technology that they use with other customers. The primary goals of these funded projects must be to: (1) modernize benefit delivery for FMNP State agencies, participants, farmers and farmers' markets; and (2) increase benefit utilization at farmers and farmers' markets.

Eligibility and Funding Levels

This is an announcement of the availability of funds for grants to be awarded in FY 2023 and FY 2024 to FMNP State agencies with proposed projects that meet the technical requirements outlined in this memorandum. Only current FMNP State agencies that did not receive an *FMNP Benefit Delivery Modernization Grant* in FY 2022 are eligible to apply for grant funding under this FY 2023-2024 announcement. An eligible State agency may receive only one grant in either FY 2023 or FY 2024. Therefore, an eligible State agency must only submit one application in

either FY 2023 or FY 2024. This eligibility criteria includes any applications submitted as a part of a multi-State agency collaboration.

Funding of these awards will be provided through the Grant Award/Letter of Credit process. The awards will be made via an FNS-529 Grant Award Agreement between FNS and the grantee, with accompanying terms and conditions. The grants will be awarded on a non-competitive basis, subject to the availability of Federal funds. See the “How to Apply” section for application due dates.

FNS expects to make awards of up to \$350,000 per State agency, or per member of a multi-State agency collaboration. A lead State agency must be selected for a multi-State agency collaboration. FNS may elect to fund an application in its entirety, may limit funding to specific items of the proposals contained in an application, and/or may negotiate with proposed applicants to stay within available funding and/or the goals of the grant.

Use of Funds

As part of this grant opportunity, FNS will provide funding to current FMNP State agencies for procurement of an electronic solution (e-Solution) or software technology for the purposes of assisting State agencies with the transition from coupon-based operations. State agencies may include in their request funds for project staff to assist with planning and implementation. FNS will also fund State agency requests for maintenance and operations for e-Solution technology procured using this grant, during the grant’s period of performance.

Allowable uses of project funds include, but are not limited to:

- Contractual costs associated with procurement of e-Solution technology. Please see Appendix A of FMNP and SFMNP FY 2022 Guidance Package for a list of solution providers. Please note that Appendix A is not an exhaustive list of e-Solution providers and grantees should procure all services and goods in accordance with their State procurement requirements.
- Planning costs, including personnel costs, related to e-Solution procurement and implementation (up to 20% of the request may be used for this).*
- Costs associated with agency evaluation efforts to investigate the impact of transitioning from coupon-based operations to an e-Solution.* Training, outreach, and/or promotional material costs, including the costs associated with translating materials.
- Costs (in total) not to exceed \$25,000 to purchase supplies needed to perform e-Solutions transactions onsite. Such costs may include, but are not limited to,

cellular hotspots and/or a shareable number of mobile phones or other devices to loan to farmers, farmers' markets, or non-profit market managers. State agencies must include a justification for any supply purchases in their grant proposal.

- Costs associated with working with the WIC Program to leverage the FMNP e-Solution to support the use of the WIC cash-value benefit (CVB) at farmers and farmers' markets.
 - Note: For WIC State agencies, funds to support the use of WIC CVB at farmers and farmers' markets are expected to be available via FY 2023-2024 WIC Shopping Experience Improvement Grants.
- Costs associated with working with the Senior Farmers' Market Nutrition Program (SFMNP) to streamline implementation across FMNP and SFMNP.
- Additional costs associated with modernizing FMNP operations (which are otherwise not outlined here) may be requested. State agencies must include justification in their application and include line-item budget narrative.

*Pre-award costs may be included only when the applicant has costs that precede an award by up to 3 months that are associated with proposal activities undertaken to obtain the award and/or that are incurred prior to the effective date of the award pursuant to negotiation and in anticipation of the award. Such costs must be necessary for efficient and timely performance of the scope of work to be approved for this award. If charged to the award, these costs must be charged to the initial budget period of the award, unless otherwise specified by FNS. Additional information on pre-award costs is available at 2 CFR 200.458.

Unallowable use of project funds includes:

- Transaction fees associated with processing FMNP mobile payments, including those accepted by farmers and farmers' markets using any e-Solution.

Security Requirements

State agencies are required to ensure the security requirements outlined below.

Security and Privacy

The grantee and technology must comply with confidentiality requirements outlined in 7 CFR 248.24(c), offer data security, have adequate measures to prevent fraud, comply with credit/debit card industry security standards, and protect all technology users' privacy. Explicit measures must be outlined and taken to protect personally identifiable information (PII) such as, but not limited to, encryption at rest and encryption in transit. Grantees must comply with any Departmental or Agency guidance issued at the time of the award related to security and privacy. Technology solutions with web servers receiving a grade of less than B on server tests (see <https://www.ssllabs.com/ssltest> or similar) must provide a timeline and plan for resolution

of outstanding items such as, but not limited to, use of insecure transportation security protocols (e.g. SSLv3, TLS 1.0, TLS 1.1).

Cookies

To ensure optimum security for transactions, the procured technology must not use cookies. Applicants must identify whether the technology will use cookies, and if so, whether the cookies will retain PII data and will easily delete or allow a customer to avoid creation of cookies.

Damages if Data is Compromised

FNS expects the grantee to adequately secure the technology solution, network, and databases under the control of the grantee or any subcontractor. FNS requires the grantee to agree that, if selected, it will replace all FMNP benefits that are stolen as a result of employee or subcontractor fraud, or external hacking resulting from failure to adequately secure the technology.

Selling and Sharing of Data

It is common practice among many businesses and non-profit organizations to sell or share subscription data and other data to outside parties. The personal information, e.g., name, address, or email address collected through the procured technology under this grant must not be compromised, sold, rented, or shared with any third party without authorization from FNS.

Requesting an ARPA Waiver

As a part of this grant opportunity, FNS may consider State agency waiver requests to waive FMNP legislation and Federal regulations, consistent with the authority granted by ARPA. To request an ARPA waiver, State agencies must submit a written formal waiver request in advance of the submission of the grant application to their respective Regional Office. Please see “Appendix C: For FMNP State Agencies Only - State Plan Amendment Submission Instructions for ARPA Waiver Request” of the [FMNP and SFMNP FY 2022 Guidance Package](#) for information on how to submit an ARPA Waiver Request.

State agencies should alert their respective FNS Regional Program POC if they expect to need an ARPA waiver to carry out a project or activity under this funding announcement.

How to Apply

To apply for a FY 2023-2024 *FMNP e-Solution Grant*, interested State agencies or multi-State agency collaborations (with one State agency identified as the lead) must submit their application via email to their respective FNS Regional Office Grants Management

Administrative Services (GMAS) point of contact with cc: to the relevant Regional Office Program staff listed below. Applications must be received no later than 11:59 PM Eastern Time by the deadlines outlined in the table below. Late applications will not be considered.

FY 2023 Deadline for Submission	FY 2024 Deadline for Submission
April 18, 2023	January 23, 2024

FNS Regional Office	Grants Management and Administrative Services POC	Program POC
Mid-Atlantic Regional Office	Howard.Lockstein@usda.gov	Jaime.VanLieu@usda.gov
Midwest Regional Office	Michael.Chambers@usda.gov	Samia.Hamdan@usda.gov
Mountain Plains Regional Office	Cynthia.Archuleta@usda.gov	Sandra.Clark@usda.gov
Northeast Regional Office	Li.Liu@usda.gov	Michelle.D'Auria@usda.gov
Southeast Regional Office	Dionne.Bounds@usda.gov	Sandy.Benton-Davis@usda.gov
Southwest Regional Office	Jeff.Wingate@usda.gov	Darrell.Allen@usda.gov
Western Regional Office	Rebecca.Hobbs@usda.gov	Chad.Davis-Montgomery@usda.gov

State agencies may reach out to their GMAS POC with questions or technical assistance requests when preparing the submission. The Regional Office GMAS will coordinate with the Program POC, as applicable. All Standard Forms (SF) listed below can be found on Grants.gov (where they must be opened in Adobe and saved as PDF) or as an attachment to this announcement. Please ensure all Standard Forms (SF-424, SF-424A, SF-424B, SF-LLL) have wet signatures (i.e., print, sign, and scan/email with application).

A complete application will include:

- Attachment A, FY 2023-FY 2024 Non-Competitive *FMNP e-Solution Grant* Proposal Template (to be completed by State agency)
- SF-424 Application for Federal Assistance
- SF-424A Budget Information for Non-Construction Programs
 - Please submit a budget request (SF-424 Form) for an amount up to \$350,000 per grantee or per member of a multi-State agency collaboration. For multi-State agency collaborations, the lead State agency will be responsible for the funds. FNS may adjust the award amount depending on the availability of funds.

- SF-424B Assurances for Non-Construction Programs
- SF-LLL Disclosure of Lobbying Activities

Certain application materials will be subject to a collaborative review by the FNS Regional GMAS and Program Office, i.e., the grant proposal and budget.

508 Compliance: Deliverables, systems developed, and any FMNP participant-facing technology under an approved grant award must be designed to be 508 compliant (i.e., software/applications/sites are designed to be interoperable with assistive technology). Chapter 5 of the Revised 508 Standards and 255 Guidelines (www.access-board.gov), outlines the key components to achieve such interoperability.

Award and Reporting Requirements

Grant Agreement: When awards are made, State agencies and FNS must sign a FNS-529 Grant/Cooperative Agreement Award form. A fully executed FNS-529 form, with accompanying terms and conditions, will serve as the official grant agreement. Grant funds will not be released to any State agency until the FNS-529 is returned with signature and can be fully executed.

Catalog of Federal Domestic Assistance (CFDA): The Catalog of Federal Domestic Assistance (CFDA) number for this grant project award is: 10.557.

Reporting: Selected applicants will be required to provide quarterly SF-425, Financial Status Reports, and quarterly FNS-908, Performance Progress Reports.

FNS-908 Performance Program Reports will be submitted via email to the Regional Office Program POC found in the table above in PDF form. Only pages 1-3 need to be completed. Page 1 contains the applicant's information while pages 2 and 3 contain 8 questions that should be completed. State agencies are not required to complete anything beyond page 3, including the Program Activities and Objectives. This report must be submitted on a quarterly basis to the Regional Office Program POC listed above. This report allows the grantee to provide periodic project updates to FNS to be reported to the Secretary of Agriculture in accordance with Executive Order 14058. Upon award, FNS will send instructions on completing the FNS-908 Performance Progress Report for these awards.

The SF-425, Financial Status Report must be submitted in FNS' Food Program Reporting System (FPRS) on a quarterly basis. The title for this report is: *PAN-WIC-ARPA-FMNP-BDM*.

Final reports will be required for both the FNS-908, Performance Progress Report, and the SF-425, Financial Status Report, 120 days after the period performance has ended. For the FNS-908, the grantee shall submit a final summary using the narrative portion of the FNS-908 to include evaluation results of the project as they relate to improving FMNP technology, as evidenced by increasing the redemption of FMNP benefits, improving participant access to authorized farmers and farmers' markets, and improving participant satisfaction.

Throughout the course of the project, FNS will be conducting an evaluation of ARPA-funded projects on WIC outreach, innovation, and program modernization efforts. Per the FMNP program regulations at 7 CFR 248.24(d), State and local WIC agencies and contractors must cooperate in studies and evaluations conducted by or on behalf of the Department, related to programs authorized under the Richard B. Russell National School Lunch Act and the Child Nutrition Act of 1966 (42 U.S.C. 1786). The grantee must participate in FNS-sponsored research related to the overarching evaluation of ARPA-funded WIC and FMNP modernization that will be managed by the National Program Office; this evaluation may include surveys, interviews, and/or focus groups for grantees. The grantee must also be willing to participate in activities to share best practices, such as FNS Regional Office webinars, roundtables, conferences, etc.

State Plan Amendments

Prior to obligating FMNP ARPA grant funds for an *FMNP e-Solution Grant*, the State agency must have an approved State Plan amendment in accordance with Appendix B of the [FMNP and SFMNP FY 2022 Guidance Package](#), (i.e., the amendment will capture the e-Solution addressed in the project plan). Any required State Plan amendments must be approved before the State agency can receive a fully executed FNS-529 Grant Award Agreement. A State agency may only begin obligating funds for the costs of implementing those initiatives once a fully executed FNS-529 Grant Agreement is in place. FNS Regional Program Offices will provide the Regional GMAS offices with the plan approval confirmation.

Period of Performance

For FY 2023 awards, the period of performance for this funding is from May 15, 2023 through September 30, 2025.

For FY 2024 awards, the period of performance for this funding is from March 1, 2024 through September 30, 2026.

Regional Office GMAS will make funds available to State agencies for the approved FMNP ARPA grants only after the grant agreements are fully executed (i.e., signed by both FNS and the State agency).

FNS Participation

Grants will be awarded and managed by the FNS Regional Offices. The FNS Regional Program Offices will provide ongoing technical assistance to State agencies via the quarterly FNS-908 performance progress reports and the GMAS Offices will provide quarterly reviews of the FNS-425 financial reports. These reports are designed to monitor the grantee’s project activities and ensure costs are within the *FMNP e-Solution Grant* scope and require a degree of collaboration between the Program and GMAS Offices. Regional FNS Program Office staff may also provide periodic on-site and off-site technical assistance to provide evaluation and guidance on project activities and outputs as they relate to this project, including:

- Review of project plans and milestones;
- Review of project documents;
- Evaluation of technology, including systems and/or apps;
- Other technical assistance and program evaluation related to project objectives.

If you have questions on this grant opportunity, please contact your respective FNS Regional Office GMAS POC.

 Digitally signed by AMY HERRING
Date: 2023.03.01 15:02:48 -05'00'

AMY M. HERRING
Director, Office of Innovation
Supplemental Nutrition and Safety Programs

LYNN RODGERS-KUPERMAN
Digitally signed by LYNN RODGERS-KUPERMAN
Date: 2023.03.01 15:07:50 -05'00'

LYNN RODGERS
Director, Grants and Fiscal Policy Division
Financial Management

Attachment: FY 2023 – FY 2024 Non-Competitive FMNP e-Solution Grant Proposal Template

FY 2023 – FY 2024 Non-Competitive FMNP e-Solution Grant Proposal Template

Proposals must be submitted via email to the respective FNS Regional Office Grant Management Administrative Services point of contact with cc: to Regional Office Program staff listed under “How to Apply” no later than 11:59 PM Eastern Time on the following dates:

- FY 2023 Awards: April 18, 2023
- FY 2024 Awards: January 23, 2024

For State agencies applying as part of a multi-State agency collaboration, a lead State agency must be selected. Applications should be sent to the lead State agency’s FNS Regional Office representative.

This is a suggested proposal template to facilitate gathering the information needed for the application. However, if a State agency opts not to use this template, all information requested below must be provided.

State Agency Contact Information

State agency collaborations must complete the requested information below for each State agency in the collaboration and must mark the lead State agency as such.

Lead State Agency Name:

Lead State Agency Mailing Address:

Project Lead Name:

Job Title:

Telephone:

Email address:

Are you applying as a collaboration with other State agency(ies)? Yes No

If yes, list all State agency names and contact information (name, job title, telephone, email) on page 2, or provide as an attachment to your submission. If more than 4 additional State agencies, attach a comprehensive list of State Agency Name, Contact Name, Contact Job Title, Contact Telephone Number, and Contact Email Address.

State Agency Collaborations

Partner State Agency 1

State Agency Name:

Contact Name:

Job Title:

Telephone:

Email Address:

Partner State Agency 2

State Agency Name:

Contact Name:

Job Title:

Telephone:

Email Address:

Partner State Agency 3

State Agency Name:

Contact Name:

Job Title:

Telephone:

Email Address:

Partner State Agency 4

State Agency Name:

Contact Name:

Job Title:

Telephone:

Email Address:

Data Collection Response

Throughout the course of the project, FNS will be conducting an evaluation of ARPA-funded projects on WIC outreach, innovation, and program modernization efforts. Per the FMNP program regulations at 7 CFR 248.24(d), State and local WIC agencies and contractors must cooperate in studies and evaluations conducted by or on behalf of the Department, related to programs authorized under the Richard B. Russell National School Lunch Act and the Child Nutrition Act of 1966 (42 U.S.C. 1786). The grantee must participate in FNS-sponsored research related to the overarching evaluation of ARPA-funded WIC and FMNP modernization that will be managed by the National Program Office; this evaluation may include surveys, interviews, and/or focus groups for grantees. The grantee must also be willing to participate in activities to share best practices, such as FNS Regional Office webinars, roundtables, conferences, etc.

Check yes to acknowledge that you understand. Yes No

Project Proposal

The project proposal **must** include the following:

- Confirmation the State agency submitted and received approval of a State Plan amendment, in accordance with Appendix B of the [FMNP and SFMNP FY 2022 Guidance Package](#).
- The expected results and/or benefits of the solution, and how it will meet the objectives of this grant opportunity.
- If applicable:
 - Description of how the project plans to incorporate WIC CVB use
 - Description of additional project items related to modernizing FMNP operations and justification
- For projects that impact EBT/MIS, a list of affected State agencies and all changes to the shared core system for State Agency Model (SAM) User Groups, multi-State consortia.
- Include the full project proposal on page 4, or provide as an attachment to your submission.

Project Proposal

Budget Proposal

The budget proposal should correspond with the approved State Plan amendment and application budget submitted on the SF-424A. The narrative must justify and support the bona fide needs of the budget's direct cost. If the budget includes indirect costs, the applicant must provide a copy of its most recently approved Federal indirect cost rate agreement. All funding requests must be in whole dollars.

The budget proposal **must** include the following:

- The amount of Federal funds requested, up to \$350,000 per grantee or per member of a multi-State agency collaboration.
- A narrative description of the need for Federal funds requested in SF-424A, including calculations detailing how these funds requested were derived. See Use of Funds section for allowable costs. Describe all requested costs such as State personnel and fringe benefits, travel, equipment, supplies, contractual, indirect, and other (e.g., printing). Additional justification, line-item and narrative summary is required for the following (if applicable):
 - Hardware purchases (indicated in Use of Funds section)
 - Project plans that incorporate WIC CVB use via mobile wallet solutions.
 - Other project items mentioned in the State agency's project proposal related to modernizing FMNP operations
- Details on amount of funding to be used on grant evaluation and how this amount was calculated (if applicable).
- Information on anticipated annual costs to operate and maintain the project after the grant period of performance. Identify funding sources beyond the grant period of performance and explain how the project will continue to be used and funded by the grantee.
- For projects that impact EBT/MIS, a list of affected State agencies and all changes to the shared core system for State Agency Model (SAM) User Groups or multi-State consortia.
- If pre-award costs are being requested, a detailed justification that supports the State agency request must be included in the application package. The justification should include:
 - Need (identify why funding is needed for a time period before the official grant start date).
 - Budget category (e.g., personnel).
 - Line item(s) in the budget.
 - Time frame/begin and end date which the pre-award costs would be incurred for those line items.
- Include the full project proposal on page 6, or provide as an attachment to your submission.

Budget Proposal