



Cooperative Forestry | September 2023

Frequently Asked Questions (FAQs)

Inflation Reduction Act (IRA) Forest Landowner Support

Notice of Funding Opportunity (NOFO) 1: Supporting Underserved and Small-Acreage Forest Landowner Participation in Emerging Private Markets

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Key Definitions

“Emerging Markets for climate mitigation or forest resilience” *(question revised 10/17/23)*

Healthy ecosystems provide vital benefits including clean air and water, flood prevention, drought mitigation, forest products, and wildlife habitat. Forest landowners contribute to the public good when they implement land management practices that sustain forest health and resilience. Many of these benefits, or ecosystem services, are not recognized in traditional market transactions. Environmental markets account for the value of ecosystem services and formalize interactions between “buyers” and “sellers” of benefits. Market-based solutions attract resources to private lands conservation and create additional revenue streams for landowners, which can then be re-invested in forest stewardship. Environmental markets currently exist for greenhouse gases (including carbon), water quality, biodiversity/habitat, and wetland restoration. Additional emerging market innovations include certification for products and supply chains that address conservation

objectives. Market drivers related to cost savings and risk reduction, such as source water protection or restoration, may also be addressed.

Importantly, eligible markets are private markets—not simply public programs that incentivize specific practices. For this current funding opportunity, the Forest Service is looking for projects that engage underserved and small-acreage landowners in markets that bring private capital into play to incentivize such practices.

“Underserved landowners”

For these IRA provisions, the USDA Forest Service defines underserved as landowners from one or more of the below-listed groups. See the NOFO for a full description of each of these categories.

- Beginning Farmers, Ranchers, or Forest Landowners¹;
- Farmers, Ranchers, or Forest Landowners Living in High Poverty Areas²;

¹ [Agriculture Improvement Act of 2018; From Title 7-Agriculture 7 USC 2279; Inflation Reduction Act](#)

² [Inflation Reduction Act](#)

- Federally Recognized Tribes³;
- Limited Resource Producers⁴; and/or
- Veterans.⁵

Individual Tribal members are also considered underserved landowners.

“Non-Industrial Private Forest land”

Program activities must target nonindustrial private forest land which is defined as meeting all the following criteria:

- Is rural, defined as all areas outside United States Census areas with 50,000 or more people. Please use the [Landscape Scale Restoration Project Planning Tool](#) to confirm that the proposed project area(s) is within an eligible rural geography.
- Has existing tree cover or is suitable for growing trees.
- Is owned by any private individual, group, association, corporation, Indian Tribe, other private legal entity or is Tribal land held in trust by the federal government.

“Maximize benefits to landowners”

Projects should emphasize ability to advance market readiness of lands owned by targeted landowner populations. Projects will be assessed based on their ability to deliver on this key value in a cost-effective manner, prioritizing direct benefits to landowners in project design and budget structure. Where lands, landowners, and practice/readiness gaps are already identified, this means the maximum amount of funding possible should be directed to closing the marketability gap to bring landowners’ forests to emerging private markets. Applied scientific work advancing the understanding of the readiness gaps can be funded, but projects focused on that function alone will not rank as highly in maximizing benefits to landowners as projects that have a direct tangible benefit to landowners. Legislative direction provides a preference for expanding market access and entry rather than the study of market barriers.

Eligibility and Eligible Activities

Are Department of Hawaiian Homelands (DHHL) lands eligible? And are DHHL Native Hawaiian eligible as beneficiary landowners? *(question added 11/9/23)*

DHHL lands are not eligible under this opportunity as they are held in trust by the State of Hawaii and are not nonindustrial private land. There may be future Forest Landowner Support opportunities for which DHHL lands are eligible. To qualify as eligible landowners, Native Hawaiians must qualify as either small-acreage or underserved. To qualify as underserved, Native Hawaiians must qualify in one or more of the following categories: beginning forest farmer, rancher, or forest landowner; farmer, rancher, or forest landowner living in high poverty area; limited resource producer; veteran. See the Notice of Funding Opportunity for full details on these eligibility categories.

Are agroforestry projects eligible? *(question added 10/17/23)*

To be eligible, land must be non-industrial private forest land, which (1) is rural and (2) has existing tree cover or is suitable for growing trees.

Are soil and water conservation districts eligible to apply? Resource conservation districts? Land grants and extensions? Regional councils of government? *(question added 10/4/23)*

Yes, all of these entities are eligible to apply for this funding opportunity.

Are all Tribal lands eligible? And need Tribal lands be adjacent to National Forest System lands to qualify? *(question added 10/2/23)*

All Tribal lands held in trust are eligible, including both Tribal lands and allotted lands. All fee lands—both fee simple and restricted fee lands—are also eligible. Proximity to National Forest System lands does not impact eligibility.

³ [Section 4 of the Indian Self-Determination and Education Assistance Act \(25 U.S.C. 5304\)](#)

⁴ [Agriculture Improvement Act of 2018; Inflation Reduction Act](#)

⁵ [Agriculture Improvement Act of 2018; From Title 7- Agriculture 7 USC 2279; Inflation Reduction Act](#)

Can a forestry contractor or consulting forester apply on behalf of an individual landowner? (question added 9/9/23)

This funding opportunity is for entities that will in turn implement projects to benefit landowners. While there may be limited exceptions of underserved landowners with acreage and market access obstacles sufficient to produce a single beneficiary project, the most competitive projects are likely seeking to benefit more than one landowner.

For-profit entities, including those that employ resource professionals and consulting foresters, are eligible to apply, but should heed that consideration if applying with a single landowner in mind. If, for example, that forestry contractor or consulting forester served a cooperative or consolidated group of landowners, and could articulate the emerging market access problem for those underserved and/or small-scale landowners as a class of clients, they could propose a project for funding, but that would be as an independent entity, not as a representative or agent of any individual landowner.

If an entity is listed as a sub-awardee or contractor in a proposal submitted by another entity, does that proposed sub-award or contract count toward the three-proposal and \$25 million limit per entity? (question updated 10/17/23)

Yes, sub-awards and contracts received by an entity count toward the limit of three proposals and \$25 million total for that entity.

What kinds of activities (e.g. fuels treatment, agroforestry, biochar) can be funded? (question updated 9/7/23)

The focus of these funds is on participation in emerging private markets for climate mitigation and forest resilience. Any activities that lead to increased participation in these markets are eligible as long as they adhere to the following guiding principles:

- Forest management practices must emphasize ecosystem resilience rather than maximization of any single benefit to the detriment of ecosystem function.
- Forest management practices should measurably demonstrate “net positive” outcomes (additionality) over time for multiple public and ecosystem benefits including, but not limited to, carbon sequestration, biodiversity/habitat restoration, sustainably managed forest products and/or improved water quantity or quality.

- Activities and practices should incorporate consideration of risk, including disturbance and future climate conditions, and contribute to forest resilience.
- Activities and practices must be designed for site-specific conditions (e.g., forest type; climate change impacts and vulnerability; and relevant laws, regulations, and policies).
- Emerging private markets that support these practices should optimize direct benefits to landowners while limiting their financial risk.

Applicants should also keep in mind that direct payments to landowners are not allowable under this funding opportunity. For implementation, applicants would need to contract work on behalf of landowners rather than compensating landowners directly for work on their land.

What is meant by “certification systems” as referenced in the NOFO? Does this refer to existing forest certification programs? (question added 8/30/23)

Certification systems assure consumers that products meet social or ecological standards related to forest management. Some forest product markets require certification and include a price premium. Certification can also facilitate market entry even if participation is voluntary. For this purposes of this NOFO, activities related to certification must support market participation for underserved and/or small-acreage landowners and be directly aligned with the guiding principles described in the NOFO.

Can individuals apply for this funding?

No, individuals are not eligible to apply for this specific funding opportunity. This opportunity is for entities that will in turn implement projects to benefit individual landowners. As these projects are launched, the Forest Service intends to provide a centralized place for landowners to find information about various projects. In the meantime, landowners can visit this page for information on available resources:

<https://www.fs.usda.gov/managing-land/private-land/landowner-resources>

Is there a minimum acreage for landowners who will be beneficiaries of these programs? (question added 8/29/23)

There is no minimum acreage for beneficiary underserved or small-acreage landowners; however, applicants may propose projects that include a minimum acreage for project participants.

Is there a maximum acreage for underserved landowners benefiting from these programs? *(question added 8/29/23)*

There is no maximum or minimum acreage for underserved landowners who will benefit from project activities.

Can funds be used to support projects in another country?

No. The forest land benefiting from these programs must be in the United States or its territories.

Would projects focusing on native species and biodiverse projects be prioritized?

Proposals should adhere to the guiding principles in the NOFO, including the principle that notes the value of ecosystem resilience. The Forest Service values and prioritizes native seeds and plants in restoration and reforestation efforts. Project efforts should focus on advancing market readiness and value in the identified private market for climate mitigation or forest resilience. Assisted migration, hybrid, and nonnative cultivars may be acceptable if justified by market requirements and if it has been demonstrated that historically native species fail to meet sufficient or resilient survival/production to secure the marketable ecosystem service(s).

Are all veterans eligible as beneficiaries as underserved landowners?

Individuals are not eligible to apply directly for this funding opportunity. As beneficiaries of projects to be funded, veterans are eligible if they meet the following criteria:

- Has served in the United States Army, Navy, Marine Corps, Air Force, or Coast Guard, including the reserve component thereof; was released from service under conditions other than dishonorable; and:
- Has not owned land for more than 10 years; or
- Who first obtained status as a veteran during the most recent 10-year period.

What documentation is needed to support beneficiary eligibility (e.g. veterans, limited resource producers)? *(question added 8/25/23)*

Self-identification is appropriate and sufficient for the following categories of underserved landowners: veterans, limited resource producers, and beginning forest landowners. For identifying landowners in high poverty areas, see the NOFO for applicable data sets. If you have identified landowners you believe to be in high poverty

areas, but the areas are not within one of the provided data sets, please contact the Forest Service at SM.FS.LandownerIRA@usda.gov with details.

Can ecotourism be considered a relevant private market, particularly in places where there are not active biodiversity or water markets and where carbon-only projects are not financially viable for landowners?

Ecotourism plays a significant role in tourism markets, with potential to serve environmental, social, and economic objectives. Proposals that address this market opportunity should articulate a clear rationale tying the market opportunity directly to climate mitigation and/or forest resilience. Such proposals should also take care to follow the guiding principles outlined in the NOFO, including how risk is accounted for and how the proposed activities emphasize ecosystem resilience rather than maximization of any single benefit to the detriment of ecosystem function.

The NOFO says, “Entities that have subsidiaries and affiliates will be treated as one applicant for purposes of calculating the \$25 million cap on requests.” What is the definition of “subsidiaries and affiliates”?

Subsidiary is defined as an entity in which more than 50 percent of the entity is owned or controlled directly by a parent corporation or through another subsidiary of a parent corporation (2 CFR 200.1).

Under 2 CFR 180.905: “Persons are *affiliates* of each other if, directly or indirectly, either one controls or has the power to control the other or a third person controls or has the power to control both. The ways a Federal agency may determine control include, but are not limited to—

- a. Interlocking management or ownership;
- b. Identity of interests among family members;
- c. Shared facilities and equipment;
- d. Common use of employees; or
- e. A business entity which has been organized following the exclusion of a person which has the same or similar management, ownership, or principal employees as the excluded person.”

Applicants should keep in mind that 2 CFR Part 180 provides OMB Guidance for Federal agencies on the government-wide debarment and suspension system for non-procurement programs and activities. Grants and cooperative agreements are non-procurement transactions.

This comes into play where a subsidiary, affiliate, or parent company may be debarred or suspended.

Application and Award Process

After award announcements are made, when will funds be available to awardees? *(question added 1/10/24)*

We anticipate announcing Track A and initial Track B awards in early 2024. After this point, the Forest Service will work with recipients to further refine scopes of work and budgets prior to signing award agreements; this process could take several months. Funds will be available to awardees upon signing of award agreements.

Do we need to have specific contractors lined up for every task when submitting our application? And do we need to submit letters of collaboration from contractors? *(question updated 1/10/24)*

You need not have all contractors identified prior to submission and you do not need to submit letters of collaboration from potential contractors.

Section 21 of form SF-424 contains the following language: “a list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions.” Where can I obtain a copy of this list of certifications and assurances? *(question added 10/24/23)*

The Certifications and Assurances referred to there is the “FINANCIAL ASSISTANCE REPRESENTATION AND CERTIFICATION” you would have completed during your SAM registration. You can download a copy of the certification in your Workspace (?) Entity Registration – Reps and Certs. If you did not do this in SAM, then you will need to submit the SF-424B and the suite of forms listed in the NOFO (page 15).

Can we attach supplementary materials such as figures, maps, and staff directories as annex sections? *(question added 10/17/23)*

You may submit supplementary materials and/or annex sections together as one additional document. Please note that the review panel will focus on the required proposal documents for scoring and evaluation. The reviewers will be provided supplementary or annex sections for background.

What if I am applying for Track A, but my entity does not have audited financial statements? *(question added 10/17/23)*

You may submit an unaudited statement (statement type will vary depending on the entity type) along with brief explanation for why audited financial statements are not available.

What will the review process be like? *(question added 10/17/23)*

All proposals will be reviewed by multiple reviewers and evaluated for adherence to the guiding principles and evaluated based on the extent to which they meet all of the evaluation criteria as outlined in the notice of funding opportunity:

- Alignment with program and Focus Area priorities (see Program Content and Structure)
- Technical merit (proposal is technically sound and feasible with a well-crafted workplan and achievable timeline)
- Organizational capability and capacity, including skills and experiences of key personnel (administrative infrastructure, subject matter expertise and relationships required to achieve intended results)
- Appropriate measurement and monitoring of outcomes, including ability to adapt activities as needed
- Budget cost-effectiveness, including description of any non-Federal funds contributed (proposed budget is appropriate to scale and scope of program of work)
- Optimization of benefits to landowners
- Partner commitment and coordination (as appropriate)
- Strategic programmatic contribution; potential to replicate or amplify impact

When will I find out if my application is selected for an award? *(question added 10/11/23)*

For Track A and initial Track B awards, we anticipate announcements in early 2024. For subsequent quarterly Track B review periods, each proposal review period and decisions can take several months, with decisions possibly overlapping with subsequent review periods. Please also note that if not selected during the first review period after submission, the Forest Service may choose to hold a proposal to be reviewed again during subsequent rounds.

Potential applicants should sign up for updates on the opportunity via Grants.gov.

When are the quarterly deadlines for Track B? (question added 10/11/23)

The only hard deadline for Track B is 8/21/24. No proposals will be reviewed prior to 60 days following publication of the notice of funding opportunity (October 21, 2023). After that 60-day mark, proposals will be reviewed on a quarterly cadence. The exact dates of the first review period will depend on the number of proposals received during the initial application period; the dates of subsequent quarterly review periods will depend on the dates of the first review period. We anticipate that we will share more about our review timeline via Grants.gov after the initial round of applications is received.

In form SF-424, box 16b, what should I enter if the scope of my proposed project is nation-wide? (question added 10/16/23)

Enter “nation” or “national” in the box.

Whom should I contact if I need help with my sam.gov registration? (question added 10/2/23)

Remember that the Sam.gov registration process can take several months to complete if issues arise. For assistance, contact a Procurement Technical Assistance Center (PTAC): <https://www.aptac-us.org/for-free-help-with-sam-contact-a-ptac/>

Can letters of support or collaboration be submitted from entities that are not actively participating in a proposed project, but support its validity and the applying organization’s ability to carry out the project? (question added 9/22/23)

Yes, supplemental letters of support may be submitted. Such letters need not come through official correspondence channels, but rather can and should simply be attached to the proposal package submitted via Grants.gov.

Letters can be addressed to:

IRA-Forest Landowner Support Program
State, Private, and Tribal Forestry
USDA Forest Service
1400 Independence Ave. SW
Washington, DC 20250

If I submit one proposal that is rejected, can I submit three additional proposals?

(question added 9/22/23)

Yes, if one or more submitted proposals are rejected, you may submit up to three additional proposals.

How much will be awarded to Track A proposals v. Track B proposals? (question added 9/29/23)

The Forest Service currently estimates awarding ~ \$100 million total to Track A proposals (>\$2 million per award) and anticipates reserving ~\$50 million for Track B proposals (<\$2 million per award).

Can I submit a proposal that benefits both underserved landowners and small-acreage landowners? (question updated 9/12/23)

Yes, one proposal can be submitted to benefit both groups of landowners. Proposals that serve both types of landowners should include a Project Narrative that distinguishes between activities for each landowner type (described as Focus Areas in the NOFO) and include separate budgets for each Focus Area as well as one consolidated summary budget. In situations where beneficiaries are both underserved *and* small-acreage, it is preferred to categorize beneficiaries in one category for the purposes of budgeting. When beneficiaries are eligible both as underserved and small-acreage, please make this clear in the narrative and also consider including such an analysis in the detailed budget. This will allow the Forest Service to engage with awardees during the agreement negotiation process to determine which funding is best for the specific agreement—funding dedicated to underserved landowners or funding dedicated to small-acreage landowners.

Can we submit proposals to multiple tracks? Can applications to different tracks be linked? (question added 9/12/23)

Yes, you can submit separate proposals to different tracks. An applicant can submit up to three proposals for up to \$25M total. Note that if an entity is listed as a sub-awardee on a proposal submitted by another applicant, that sub-award amount would count toward the \$25M limit.

Applications to different tracks cannot be linked. Applicants are welcome to speak to the relationship in your applications, but the review processes and award decisions will be distinct for different tracks.

Is there a preference in project selection for specific market benefits or particular markets? *(question added 8/30/23)*

There is no preference for specific benefits or markets in the proposal evaluation and selection process. All applicants should carefully consider the guiding principles described in the NOFO in the context of selecting benefits and markets on which to focus. Keep in mind that in making award decisions, the Forest Service will look to balance a number of overall portfolio dimensions, including emerging market of focus and scope of activities.

How do I apply for funding?

Visit www.grants.gov and search for Opportunity #USDA-FS-2023-IRA-FLS-01 (Title: USDA Forest Service Inflation Reduction Act Forest Landowner Support).

Are there required templates for a proposal narrative and budget?

No, there are no required templates or forms beyond the standard forms listed in the application package; all standard forms are available at grants.gov. The NOFO includes elements that must be included in proposals, including in the narrative and detailed budget, but there is no required format, template, or form for these elements.

Can two or more organizations partnering on project scope apply together, or should they apply separately? *(question updated 9/12/23)*

Each application must be submitted by one eligible entity; however, an application can represent a collaboration among multiple organizations, which would receive funds through contracts or agreements from the entity that applied for and received funding. If proposed projects can be implemented independent of each other, then separate proposals would be allowable. Separate proposals cannot be linked, and separate related proposals are submitted, there is a risk that one proposal would be funded and others not. If proposed projects are dependent on each other and cannot be implemented alone, then one consolidated proposal is the appropriate choice. Eligible entities should carefully consider the pros and cons of applying separately v. applying under one umbrella application.

How will proposals be selected for awards?

All proposals will be screened for relevance, accuracy, completeness, and compliance with USDA Forest Service policies. Proposals will then be evaluated based on the extent to which they meet all of the following criteria:

- Alignment with program and Focus Area priorities (see Program Content and Structure);
- Technical merit (proposal is technically sound and feasible with a well-crafted workplan and achievable timeline);
- Organizational capability and capacity, including skills and experiences of key personnel (administrative infrastructure, subject matter expertise and relationships required to achieve intended results);
- Appropriate measurement and monitoring of outcomes, including ability to adapt activities as needed;
- Budget cost-effectiveness, including description of any non-Federal funds contributed (proposed budget is appropriate to scale and scope of program of work);
- Optimization of benefits to landowners;
- Partner commitment and coordination (as appropriate);
- Strategic programmatic contribution; potential to replicate or amplify impact.

The agency will also account for program portfolio balance (e.g., geographic location, entity type, scope of activities, and program beneficiaries) in determining awards to be funded.

Strong proposals will (1) clearly articulate barriers to participation in emerging climate mitigation and forest resilience markets for undeserved and/or small-acreage landowners and (2) explain how project activities will address these barriers.

Budget and Allowable Costs

What is the difference between contracts and sub-awards? *(question added 1/10/24)*

Contracts are distinct from sub-awards. A sub-award is an award provided by a pass-through entity to a subrecipient for the subrecipient to carry out part of a Federal award received by the pass-through entity. It does not include payments to a contractor or payments to an individual that is a beneficiary of a Federal program.

On the other hand, a contract is for the purpose of obtaining goods and services for the non-Federal entity's own use and creates a procurement relationship with the contractor.

The substance of the relationship is more important than the form of the agreement. Although the following characteristics may not be present in all cases, they are indicative of the nature of the relationship between the non-Federal entity and the third party.

A subrecipient/sub-awardee:

- Determines who is eligible to receive what Federal assistance;
- Measures its performance in relation to whether objectives of a Federal program were met;
- Has responsibility for programmatic decision-making;
- Is responsible for adherence to applicable Federal program requirements specified in the Federal award; and
- In accordance with its agreement, uses the Federal funds to carry out a program for a public purpose specified in authorizing statute, as opposed to providing goods or services for the benefit of the pass through entity.

A contractor:

- Provides the goods and services within normal business operations;
- Provides similar goods or services to many different purchasers;
- Normally operates in a competitive environment;
- Provides goods or services that are ancillary to the operation of the Federal program; and
- Is not subject to compliance requirements of the Federal program as a result of the agreement, though similar requirements may apply for other reasons.

Is reforestation an allowable expense?

(question added 1/10/24)

The focus of these funds is on participation in emerging private markets for climate mitigation and forest resilience. Any activities that lead to increased participation in these markets are eligible as long as they adhere to the guiding principles articulated in the notice of funding opportunity.

What if a participating landowner is also a contractor whom we want to use? Can we pay him/her? *(question added 11/9/23)*

This would be problematic, as there is too much conflict of interest. In addition to the fact that the landowner would be paid to do work on his/her own property, but he/she would stand to make a profit.

Do we need to have established healthcare / employee benefits plans in order to utilize the “fringe benefits” budget category?

(question added 11/9/23)

The guidance for Fringe Benefits can be found in 2 CFR 200.431. For healthcare fringe benefit specifically, it may be allowable provided that such benefits are granted under established written policies. For other types of benefits included in a benefits plan, it depends on what kind of benefit. Fringe benefits must be consistently applied for all employees, not just given to grant-funded ones.

Do people paid under the “Personnel” line item have to be W-2 employees? *(question added 11/9/23)*

Yes, all people paid under the “Personnel” line item must be W-2 employees. 1099s are considered independent contractors and as such, costs should be in the “Contractual” line item and follow rules for procurement, checking for debarment, etc.

Recognizing that funds can't be used to capitalize a revolving fund, can funds be used to cover management and start-up costs? Not to be used in the actual fund, but to enable a group to safely launch the fund and cover ongoing management cost?

(question added 10/19/23)

The answer will depend on the specific costs being proposed. Please remember that all costs must be allowable (under 2 CFR 200), allocable, and reasonable. Your budget and budget narrative must provide the Forest Service enough information to at least initially ascertain cost allowability, allocability, and reasonableness, and this initial determination is still subject to post-award monitoring or audit. One relevant section of the CFR (§ 200.455 Organization costs) states, “Costs such as incorporation fees, brokers' fees, fees to promoters, organizers or management consultants, attorneys, accountants, or investment counselor, whether or not employees of the non-Federal entity in connection with establishment or reorganization of an organization, are unallowable except with prior approval of the Federal awarding agency.” Please also keep in mind that all proposed activities must serve to support participation of underserved and/or small-acreage landowners in emerging markets for climate mitigation or forest resilience.

Where should sub-awards be listed in the budget? *(question added 10/11/23)*

In the “Other” category.

Can anything else be included in the “other” budget category besides sub-awards? *(question added 10/11/23)*

Other “other” costs beyond sub-awards are rare, but would be included if and as appropriate.

Should budget narratives be included for sub-awards? *(question added 10/11/23)*

Strong proposals would include a concise budget narrative for each sub-award to give the Forest Service insight into how sub-award funds will be utilized.

Is there a page limit for budget narratives? *(question added 10/11/23)*

There is no page limit for budget narratives, but a balance is recommended between comprehensive details and concise language.

Should budgets be submitted as PDF or Excel documents? *(question added 10/11/23)*

It is your discretion what type of document to use for budgets, but you might consider spreadsheet format to allow proposal reviewers to view formulas and gain insight into how you constructed your anticipated costs.

Where should administrative personnel’s salaries and wages go in the budget? *(question added 9/29/23)*

The salaries of administrative and clerical staff should normally be treated as indirect costs. Direct charging of these costs may be appropriate only if all of the following conditions are met (2 CFR 200.413):

- (1) Administrative or clerical services are integral to a project or activity;
- (2) Individuals involved can be specifically identified with the project or activity;
- (3) Such costs are explicitly included in the budget or have the prior written approval of the Federal awarding agency; and
- (4) The costs are not also recovered as indirect costs.

Is leasing land an allowable cost? *(question added 9/22/23)*

Grant funds can be used to lease land for training purposes if such is a *necessary cost* to support the participation of the target populations (specified under Sec. 23002 (a) (2)

and (a) (3) of IRA) in emerging private markets for climate mitigation or forest resilience.

Applicants must clearly explain their applications that proposed leasing costs are reasonable, necessary, and permissible under existing program authorities. Additionally, applicants must consider the provisions and limitations under 2 CFR 200.465.

Is there a match requirement for applicants to cover a share of project costs using non-federal funds? *(question updated 9/20/23)*

There is no match requirement for proposals to be funded through this NOFO. While match is not mandated, proposals are encouraged to maximize grant funding by using it to leverage contributions from non-Federal entities such as private capital, corporate funding, and philanthropy as well as partner or network resources, including in-kind contributions. Program recipients (underserved landowners and landowners owning less than 2,500 acres) should not be the primary source of non-federal funding if any is cited in the proposal narrative. Please include a written description of any non-Federal contributions and signed support letters (or other form of verification). Non-federal funding should be described in the proposal narrative only and should not be included in budget documents or any official forms (e.g. SF-424, SF-424A).

Can this funding be used to pay for the implementation of forest management plans? Can this funding be combined with other federal funding (e.g. from NRCS) to develop and/or implement forest management plans? *(question added 9/12/23)*

Yes, this is allowable, as long as development of forest management plans is conducted explicitly to address barriers to market participation.

Will partial awards be granted to ensure the balanced portfolio the Forest Service seeks? As an example, would the Forest Service respond to a \$25M proposal and determine that only \$5M would be funded? *(question added 9/7/23)*

Applicants who submit larger proposals should expect dialogue with the agency on proposed project scope, timeline, and budget, including the potential for adjustments. Applicants are encouraged to speak to scalability in proposals, indicating where scalability (particularly downward) is and is not feasible.

What if my proposed activities might or would generate income? (question updated 9/7/23)

Anticipated project income should be noted in budget documents and will be discussed at the agreement phase after projects have been selected to receive awards. The recommended path is to utilize project income to augment project activities and thereby achieve expanded impact. Any income generated after the period of performance ends and/or the award agreement is closed need not be reported to the Forest Service. However, applicant should keep in mind the intent that projects would optimize benefits to landowners. The Forest Service will be looking for evidence that landowners will continue to benefit from project activities well after the period of performance. The agency would preference proposals that ensure that landowners benefit from any market upsides in the years after the grant period. An even stronger proposal would also minimize or even eliminate risk to landowners if prices fall.

What if beneficiary landowners receive income as a result of market participation, but the applicant (implementing entity) does not receive income? (question added 9/7/23)

Income received by beneficiary landowners does not need to be reported to the Forest Service and does not impact the grant award in any way. However, any income received by the implementing entity (the entity receiving federal funds) must be reported. *Applicants should clearly identify any potential income in their proposal(s).*

Are sub-awards (regrants) allowed under Track A and Track B?

Yes. Sub-awards are allowable under all tracks for this funding opportunity. For Track C proposals, sub-awards will comprise at least 80% of the budget; there is no such threshold for Track A or Track B.

What can be included in personnel rates for project budgets?

The portion of the Code of Federal Regulations (CFR) that deals with Grants and Agreements ([2 CFR §200](#)) lists allowable costs and specifies the expenses that can be included in personnel rates. A grant manager, whose time is tracked and allocable to the administration of the award, for example, could be included in the personnel rates for project budgets, provided that is common practice and explicitly included for the project. General administrative

and overhead personnel costs that are pooled at the organization by practice and are not tied to both a specific person and allocable and integral to a project activity under the grant should not be included. Those costs are assessed through the indirect cost rate. Additional guidance on direct vs. indirect cost is available in 2 CFR §200.412 et seq.

Can funding be used to support participation in regulatory markets? Or only voluntary markets?

Markets may be driven by regulation or other incentives such as cost or risk reduction. Regulatory markets that are created by government legislation or mandates at the federal, state, or local level (e.g. the Endangered Species Act, the Clean Water Act, California's compliance carbon offset market, municipal commitments to carbon neutrality) are within the scope of emerging private markets for the purposes of this funding opportunity. Voluntary markets, such as the voluntary carbon market, are also within the scope of this funding opportunity, and are driven by entity commitments beyond regulation, including organizational mission, sustainability goals, or cost savings, among others.

A market, whether regulatory or voluntary, can be a tool to leverage private sector financial resources in environmental protection and climate mitigation efforts. Both regulatory and voluntary markets complement one another, increasing demand and transparency to the benefit of the farmers, ranchers, and forest landowners who provide the land and projects that supply these markets.

Can funds be used for land acquisition (conservation easement and fee simple) projects? (question added 8/29/23)

No. The focus of these funds is on participation in emerging private markets for climate mitigation and forest resilience. Any activities that lead to increased participation in these markets are eligible as long as they adhere to the guiding principles in the NOFO.

Can we use this funding for fixed costs related to implementing conservation easements, regardless of the number of acres under easement? These include legal fees, surveys, title work, recording, and stewardship endowments.

This funding cannot be used to fund endowments. The other cited activities—legal fees, surveys, title work, and recording—are all technically eligible expenses that can be reimbursed. That said, these activities have the potential to consume a significant portion of a budget. Applicants

should carefully consider budget cost-effectiveness, which is one evaluation criterion for all proposals. Applicants should also be advised that the Forest Service has other programs that are better fits for this type of work, namely the [Forest Legacy Program](#).

Can funding be used to support green bonds?

Forest Service funding cannot be used to issue green bonds. Forest Service funding can be used for actual direct costs, reimbursing entities for direct costs incurred on agreed upon project work. There are no restrictions on how cash received as reimbursement for expenses is then later deployed.

Can funding be used to establish a revolving loan fund?

The Forest Service does not have an authority to establish revolving loan funds. However, interest expenses on existing loans can be part of general administrative costs of an organization as outlined in an indirect cost agreement.

Can funding be used for construction or capital expenditures?

No. These programs fall under the Landscape Scale Restoration Program (authorized under Section 13A of the Cooperative Forestry Assistance Act of 1978, 16 U.S.C. 2109a), which does not allow for construction.

Can this funding support a community grant program?

Proposals for Tracks A and B can include community grant (regrant/sub-award) programs as long as the proposed regranting programs clearly contribute to the overall intent of these funds: support participation of underserved and/or small-acreage landowners in emerging private markets for climate mitigation or forest resilience. Sub-awards are allowable for Tracks A, B, and C. For Track C, only national regranting programs are allowed, not community-focused regranting programs.

There is no CFR or standard definition for a “community grant program”; however, the phrase has been used to refer to grants awarded to a pass-through entity (usually a State or local government entity), which then sub-awards to non-profit organizations, schools, and other local community-based organizations.

Funding under Track A or B may support a local community grant program as long as such program conforms to the focus areas and priorities identified as well as the requirements and limitations, under the NOFO. Both

the prime awardee and the subrecipients shall be subject to the requirements of 2 CFR 200. Please note however, that cost share, reimbursement, and other types of payments provided directly to private landowners, are ineligible uses of grant funds.

Can I purchase equipment with this funding?

Equipment is defined as having a per unit purchase cost of \$5,000 or more and a useful life of more than one (1) year. Anything under this value may be more appropriately categorized as a “Supply.” While equipment may be an eligible expense for these funds, applicants should carefully consider the rules and accounting requirements around managing equipment during and beyond the grant period and weigh the relative benefits of proposal equipment purchase. As an alternative, applicants might consider equipment rental for key activities.

I would like to issue sub-grants or sub-awards as part of my project. What requirements apply to sub-awards?

All regulations outlined in 2 CFR §200 flow down to sub-awards.

Can we include in our budget funding for regranting funds to provide direct grants to landowners?

No, direct payments to landowners are not eligible expenses for this funding opportunity. The Forest Service anticipates future IRA Forest Landowner Support funding opportunities that will allow for direct payments to landowners.

Can funding be used for research?

Basic research is not an eligible use of grant funds. Basic research is defined in 2CFR 422.1 as, “systematic study directed toward fuller knowledge or understanding of the fundamental aspects of phenomena and of observable facts without specific applications towards processes or products in mind.” Basic research includes applied research. However, technical transfer, education, and outreach activities associated with applying research are eligible activities.

Are there other ineligible activities and uses of grant funds?

Ineligible uses of funds include the following:

- Basic and applied research. Basic research is defined in 2CFR 422.1, “systematic study directed

toward fuller knowledge or understanding of the fundamental aspects of phenomena and of observable facts without specific applications towards processes or products in mind.” Applied research “means efforts that attempt to determine and exploit the potential of scientific discoveries or improvements in technology, such as new materials, devices, methods and processes.”

Note: Technical transfer, education, and outreach activities associated with applying research can be included in the application.

- Construction and capital improvements including facilities, infrastructure, roads, new buildings, culverts, and boardwalks.
- Land acquisition (conservation easement and fee simple) projects.
- Small business start-up funding.
- Equipment purchases are rarely approved and will be reviewed prior to grant award. Equipment rental should be considered as an alternative. Equipment is defined as an article of nonexpendable, tangible personal property having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit.
- Lobbying, litigation, or political advocacy.
- Initial resources to capitalize a revolving fund, defined as a pool of capital that can be loaned and replenished as a borrower pays back a lender.
- Cost-share, reimbursement, and other types of payment provided directly to private landowners. However, funding (and match) may be used to perform work on private lands; for example, a Tribe or Tribal organization could pay for consulting services or treatment activities to be performed on private lands with permission of the landowner.
- Profit. Profit is not an allowable expense as specified in the Uniform Guidance (2 CFR 200), with which all grant recipients must comply.

Reporting Requirements

How often will we be expected to submit reports?

Financial and narrative progress reports must be submitted with frequency determined by agency guidance and specified in final signed award documents, at least annually and not more frequently than quarterly. Applicants selected for an award should review their award agreement carefully; the award agreement will include all relevant information regarding reporting. Reports will be due 30 days after the end of each reporting period.

What should be included in reports? Are there standard report templates or forms?

Awardees should use the standard SF-425 “Federal Financial Report” form. Awardees should also submit a detailed financial report and narrative progress report; there is no required format or form for these reporting documents. Progress reports should highlight direct quantitative and qualitative investment activities and outcomes and include illustrative impact stories. Geospatial data files that outline the project area and any other relevant data will be required as part of regular reporting, with more details on these requirements to be elucidated in individual award agreements.

For-Profit Entities

If our company plans to include commercially sensitive information in our proposal, is it possible to label specific sections of the proposal containing the commercially sensitive information that would keep it from being released in response to a Freedom of Information Act (FOIA) request? (question added 10/18/23)

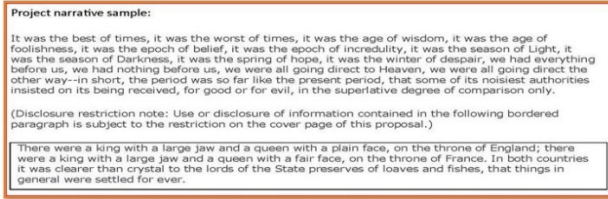
For applicants who include information in their proposals that they consider as falling within Exemption No. 4 of FOIA (“trade secrets and commercial or financial information obtained from a person [that is] privileged or confidential”), please do the following:

1. In the proposal cover page, include the following paragraph which must be clearly visible:

This project proposal narrative contains information that constitute “trade secrets and commercial or financial information obtained from a person which is privileged or confidential” [5 U.S.C. §552 (b)(4)]. As such, this information shall not be disclosed outside the Government and shall not be duplicated, used, or disclosed—in whole or in part—for any purpose other than to evaluate this proposal. If, however, a federal financial assistance instrument is awarded to this applicant as a result of—or in connection with—the submission of this information, the Government shall have the right to duplicate, use, or disclose the data to the extent provided in the resulting award instrument. This restriction does not limit the Government's right to use information contained in this data if it is obtained from another source without restriction. The information subject

to this restriction are contained in [insert page number/s].

2. Mark the paragraph/s of information it wishes to restrict with the following legend: “Use or disclosure of information contained on the following bordered paragraph/s is/are subject to the restriction on the cover page of this proposal.”



3. Do not mark the entire proposal or the entire proposal narrative with this restriction. The Forest Service must still be able to release the project narrative sans the restricted information.

If our company is registered in the US, but we have a parent company either in the US or in another country, when completing forms do we use the financial statements from our entity or from our parent company? (question added 10/2/23)

If your entity’s registration is one which confers the company a separate and distinct juridical personality from the parent company, then the applying entity must use its own financial statements to support its application.

Are there any different requirements that apply to for-profit entities?

All the same requirements apply regardless of entity type. We do encourage for-profit entities to include information about the history of their company and scope of current activities.

What should for-profit entities be aware of, particularly if applying for federal funding for the first time?

For-profit entities should carefully review the above-listed response to the question “What can be included in personnel rates for project budgets?” Billable rates often include expenses that should be incorporated elsewhere (e.g. indirect costs) and unallowable costs (e.g. profit). For-profit entities should also note that profit is not an allowable expense. If income is anticipated from project activities, please review the answer to the above-listed

question “What if my proposed activities might or would generate income?” Finally, for-profit entities should think carefully about the recommendation to leverage contributions from non-Federal entities.

Proposal Design

Are there restrictions on the types of income that might be received by beneficiary landowners? Can they receive income from multiple markets for work on the same parcel of land? (question added 1/10/24)

There are no restrictions on the types of income that landowners might receive for work on their land, and they can receive income from multiple markets for work on the same parcel of land.

Should geographic prioritization tools be used to identify small-acreage landowners? (question added 10/11/23)

The data sets provided in the NOFO are specifically for identifying underserved landowners living in high poverty areas. You might also consider using CEJST in particular to identify geographies where you might find small-acreage landowners, but this is not required or expected.

How should I identify underserved landowners? (question updated 9/21/23)

See “Key Definitions” FAQs for categories of underserved landowners. Applicants can propose specific strategies for identifying and targeting underserved landowners who are veterans, limited resource producers, beginning landowners, and Tribes and Tribal members.

For identifying landowners living in high poverty areas, applicants and project implementers should use the White House Council on Environmental Quality’s [Climate and Economic Justice Screening Tool](#) (CEJST) to identify areas of geographic prioritization for outreach, technical assistance, and program implementation.⁶ The tool also identifies communities as disadvantaged if they are on land within the boundaries of Federally Recognized Tribes. In addition to CEJST, the following datasets may also be utilized as complementary reference for geographic prioritization and identification of high poverty areas:

- The [USDA Economic Research Service \(ERS\) Poverty Area Measures](#) identify counties and census

⁶ For more information, see OMB, CEQ, & CPO, [M-23-09, Memorandum Re: Addendum to the Interim Implementation](#)

[Guidance for the Justice40 Initiative, M-21-28, on using the Climate and Economic Justice Screening Tool \(Jan. 27, 2023\)](#)

tracts with high (20.0 percent or more) and extreme (40.0 percent or more) poverty rates over various timeframes in the period from 1960 to 2019.

- *U.S. Counties with continuous high poverty, 1960 – 2019.* As of 2019, there were 304 counties—13 percent of the counties with high poverty in 1960—that consistently had poverty rates of 20 percent or more over the last 60 years (see chart [here](#)).
- *Government Accountability Office (GAO) Report to Congressional Addressees on Targeting Federal Funds: Information on Funding to Areas with Persistent or High Poverty.* The Government Accountability Office was asked to review federal funding allocated to persistent-poverty counties and high-poverty areas. This [report](#) examines (1) characteristics of areas with persistent or high poverty.

Can I propose a project that is more than three years in duration? (question added 9/11/23)

We strongly encourage applicants to consider a three-year program of work, as we are interested in seeing results and impact as quickly as possible. That said, we will consider proposals for up to five years of work. The longest possible duration of an agreement is five years; all funds must be spent by the end of the agreement, no later than five years from the agreement's execution. By planning for a three-year (or four-year) program of work, this allows time for contingency efforts, should the operating environment shift.

Where can we find more information on specific emerging markets other than carbon markets? (question added 9/12/23)

The ecosystem services market sector is diverse. Government agencies, non-governmental organizations and educational institutions provide a variety of resources to share information with a spectrum of end users. While no single resource is comprehensive, several links are provided on the [USDA Forest Service Ecosystem Services website](#). The U.S. Environmental Protection Agency also provides a helpful synthesis as part of their [EnviroAtlas tool](#) developed in collaboration with [USDA's Office of Environmental Markets](#) and [Forest Trends' Ecosystem Marketplace](#).

Will the USDA Forest Service provide technical assistance or support (e.g. advice on species selection for reforestation efforts, relevant best practices for specific ecosystems and geographic areas)?

Requests for technical advice and input will be evaluated on a by-project basis. Proposed projects should not rely on USDA Forest Service expertise for success. If specific technical support is requested or required for a project, please describe this clearly in the Proposal Narrative. Technical assistance may also be available through state forestry agencies and non-governmental organizations. The Forest Service will also support learning networks for grantees to promote information-sharing and dissemination of best practices.

Other Questions

Will advances be available to awardees? (question added 11/8/23)

This will be determined in the award negotiation phase for those that are selected as grant recipients.

Can we submit a Track B proposal that overlaps with a Track A proposal? (question added 10/17/23)

Applicants should avoid submitting overlapping proposals. The track A deadline is 10/21/23. Track B proposals may be submitted anytime until 8/21/24, with applications reviewed on a rolling basis, at least quarterly. We encourage applicants to speak in the project narrative to scalability, both up and down.

Will the CPA-52 environmental assessment be required? (question added 10/2/23)

No, the CPA-52 form is not currently required for any project activities.

Should scalability be addressed in the proposal? If yes, how? (question added 9/29/23)

Applicants are encouraged to articulate in the project narrative if and how their proposal might be scaled either up or down. Please articulate anticipated changes to outcomes if the project is scaled either up or down. If there is a minimum dollar amount under which it would not be viable to move forward with the project, please indicate that minimum amount.

What if we receive an award, but do not spend all of our money? (question added 10/2/23)

Awardees should anticipate staying in touch with their Forest Service program manager and should communicate with the Forest Service regarding any significant changes to the program of work and/or budget. Recipients are encouraged to appropriately spend 100% of allocated funds. If this proves impossible under the scope of work as written due to a changing operating context or other extenuating circumstances, your Forest Service program manager will discuss options with you.

What is the difference between IRA Forest Landowner Support programs and existing Natural Resource Conservation Service (NRCS) programs?

NRCS offers a wide range of programs for farmers, ranchers, and landowners. The USDA Forest Service’s mission is to sustain the health, diversity, and productivity of the Nation’s forests and grasslands to meet the needs of present and future generations. Given this focus on forests and grasslands, Congress designated IRA funding specifically for the Forest Service to support private forest landowners. For more information about NRCS’s programs, visit this page:

<https://www.nrcs.usda.gov/programs-initiatives>

How should consulting foresters and other resource professionals guide private landowners to benefit from this funding opportunity?

This funding opportunity is for entities that will in turn implement projects to benefit individual landowners. For-profit entities, including those that employ resource professionals and consulting foresters, are eligible to apply. As these projects are launched, the Forest Service intends to provide a centralized place for landowners to find information about various projects. In the meantime, resource professionals can encourage landowners to visit this page for information on available resources:

<https://www.fs.usda.gov/managing-land/private-land/landowner-resources>