

DEPARTMENT OF AGRICULTURE

AGENCY: Natural Resources Conservation Service, Commodity Credit Corporation

ACTION: NOTICE

Conservation Innovation Grants Fiscal Year (FY) 2011 Announcement for Program Funding

Catalog of Federal Domestic Assistance (CFDA) Number: 10.912

For Fiscal Year 2011, NRCS in Pennsylvania will offer a CIG State component. Only projects to be implemented within the state will be considered. No multi-state projects will be accepted. Applicants who have submitted to the National CIG component can submit a proposal for the State CIG; however, the application will only be funded from one funding source.

SUMMARY: NRCS requests proposals from eligible government, non-governmental organizations, or individuals which seek competitive consideration of grant awards for projects between one and three years in duration. **CIG does not fund research projects**, rather, CIG funds proposals that stimulate the development and adoption of conservation approaches or technologies that **have been studied sufficiently** to indicate a likelihood of success. CIG funds projects targeting innovative **on-the-ground** conservation, including pilot projects and field demonstrations. To be eligible, projects must involve landowners who meet the EQIP eligibility requirements (see section III.D).

This notice identifies the objectives for CIG projects, the eligibility criteria for projects, and provides the associated instructions needed to apply to CIG.

DATES: Applications must be received in the Pennsylvania NRCS State Office by 4 p.m. Eastern Standard Time (EST), on March 31, 2011.

ADDRESSES: The address for hand-delivered, regular US Postal Service mail, express mail, or overnight courier service for pre-proposals and applications is: Noel Soto - CIG, USDA - Natural Resources Conservation Service, One Credit Union Place, Suite 340, Harrisburg, PA 17110-2993. Applicants may also submit applications electronically through the Grants.gov webpage or to the e-mail listed below.

The announcement for CIG funding opportunity can be found on the following web sites: <http://www.grants.gov> and <http://www.pa.nrcs.usda.gov/programs/CIG/CIG.html>

For more information contact:

Noel Soto
USDA-NRCS
Phone: (717) 237-2173
E-mail: Noel.Soto@pa.usda.gov

SUPPLEMENTARY INFORMATION

I. FUNDING OPPORTUNITY DESCRIPTION

A. Legislative Authority

The Conservation Innovation Grants (CIG) was authorized as part of the Environmental Quality Incentives Program (EQIP) [16 U.S.C. 3839aa-8] under section 1240H of the Food Security Act of 1985, as added by section 2509 of the Food, Conservation, and Energy Act of 2008 (Public Law 110-246). The Secretary of Agriculture delegated the authority for the administration of EQIP and CIG to the Chief of the Natural Resources Conservation Service (NRCS), who is Vice President of the Commodity Credit Corporation (CCC). EQIP is funded and administered by NRCS under the authorities of the CCC.

B. Overview

The purpose of CIG is to stimulate the development and adoption of innovative conservation approaches and technologies, while leveraging the Federal investment in environmental enhancement and protection in conjunction with agricultural production. CIG projects are expected to lead to the transfer of conservation technologies, management systems, and innovative approaches (such as market-based systems) into NRCS policy, technical manuals, guides, and references or to the private sector. CIG does not fund research projects. Projects intended to formulate hypothesis do not qualify. CIG is to apply proven technology which has been shown to work previously. It is a vehicle to stimulate the development and adoption of conservation approaches or technologies that have been studied sufficiently to indicate a likelihood of success, and to be candidates for eventual technology transfer or institutionalization. CIG promotes sharing of skills, knowledge, technologies, and facilities among communities, governments, and other institutions to ensure that scientific and technological developments are accessible to a wider range of users. CIG funds projects targeting innovative on-the-ground conservation, including pilot projects and field demonstrations.

C. Innovative Conservation Projects or Activities

For the purposes of CIG, the proposed innovative project or activity must encompass the development, field testing, evaluation, implementation, and monitoring of:

- Conservation adoption approaches or incentive systems, including market-based systems;
- Promising conservation technologies, practices, systems, procedures, or approaches; and
- Environmental soundness with goals of environmental protection and natural resource enhancement.

To be given priority consideration, the innovative project or activity:

- Makes use of a proven technology or a technology that has been studied sufficiently to indicate a high probability for success;
- Demonstrates and verifies environmental (soil, water, air, plants, energy use, and animal) effectiveness, utility, affordability, and usability of conservation technology in the field;
- Adapts conservation technologies, practices, systems, procedures, approaches, and incentive systems to improve performance and encourage adoption;
- Introduces conservation systems, approaches, and procedures from another geographic area or agricultural sector; and

- Adapts conservation technology, management, or incentive systems to improve performance.
- Demonstrates transferability of knowledge.

D. Categories

The funding categories listed may include applications that focus on market-based approaches to conservation, including the advancement of emerging markets for ecosystem services and the development of market-based tools. Beginning Farmers or Ranchers, Limited Resource Farmers or Ranchers, Socially Disadvantaged Farmers or Ranchers, and Indian tribes or eligible entities servicing Beginning, Limited Resource, Socially Disadvantaged Farmers or Ranchers, and Indian tribes are encouraged to submit application(s) in any of the categories. Proposals must identify the most appropriate category and sub-category for the proposal.

Proposals must demonstrate the use of innovative technologies or approaches, or both, to address the categories listed below.

Only proposals addressing the following categories and subcategories will be considered:

Energy

Subcategories:

- Demonstrate at farm level the development of an energy audit that addresses the production fields and demonstrate the implementation of audit the recommended conservation measures.
- Innovative on-farm energy conservation technologies;
- Demonstrate at farm level the use of equipment control technologies that will help reduce the use of fossil fuel produced energy and its associated cost.
- Innovative on-farm applications of renewable energy production technologies to displace fossil fuel energy;
- Sustainable biomass production, harvest, and handling technologies
- Quantify using a real working farm the energy benefits some NRCS agronomic and engineering conservation practices have.

Air Quality and Atmospheric Resource

Subcategories:

- Carbon sequestration practices in a wide variety of cropping systems and assessment of how these practices impact other ecosystem services, such as water quality and biodiversity, as well as farm profitability;
- Implement the use of new technologies or approaches for removal of odors, dust, hair, feathers, and particulate from fan exhaust from confined animal operations, and determine effectiveness, develop cost data and standards for implementation.
- Demonstration of effective nutrient management practices to control nitrous oxide emissions;
- Emerging soil and plant management systems to maintain productivity with a changing climate;
- Management of methane emissions through improved manure storage and utilization;

- Demonstrate the effectiveness of technologies that reduce methane released by animal feeding operations that confine less than 650 animal units (AU). 1AU=1,000 lb.
- Development of conservation planning approaches that integrate agronomic knowledge with climate and weather information in order to assist farmers with adapting to changing climate patterns;

Nutrient Management for Improved Water Quality

Subcategories:

- Demonstrate the early establishment of autumn/winter cover crops.
- Demonstrate new methods which improve on the capture of nutrients in manure management systems to reduce their impact on water quality.
- Demonstrate at farm level the use of vegetative practices that remove nutrients from nutrient saturated soils and that offer additional economic and ecosystem benefits.
- Development of new strategies to compost large animal carcasses.
- Develop and demonstrate a nutrient management practice to reduce loss from soils with high leaching or runoff potential.

Sedimentation Reduction for Improved Water Quality

Subcategories:

- Demonstrate technologies and approaches that can reduce the risk posed by the Legacy Sediments.

Priority Landscapes

Subcategories:

- Implement new and innovative technologies to restore and enhance at risk forest ecosystems, e.g., American Chestnut blight disease.
- Develop or adapt remote sensing technologies that NRCS and state partners can use to assess the implementation of vegetative and management practices. Technologies need to be easy to use, commonly available, allow for annual assessments and cost effective.

Program Outreach and Conservation Technology Transfer to Targeted Groups

Subcategories:

- Transfer of demonstrated conservation technologies and practices to, but not limited to, Beginning Farmers or Ranchers, Socially Disadvantaged Farmers or Ranchers, Limited Resource Farmers or Ranchers, or Community-Based Organizations;
- Demonstration of new technology that can easily and inexpensively be adopted by small-scale producers in order to address concerns or problems of the farmers, producers, or landowners;
- Conservation outreach to underserved producers or landowners to introduce them to NRCS conservation programs.
- Opportunities to work with universities and other institutions to develop technical training for Beginning Farmers or Ranchers, Limited Resource Farmers or Ranchers, Socially Disadvantaged Farmers or Ranchers, or entities servicing Beginning,

Limited Resource, Socially Disadvantaged Farmers or Ranchers.

Sustainable and Organic Agriculture

Subcategories:

- Rotations for pest control – need technology on which crops help to suppress specific pests and the sequencing of the crops to minimize pests (weeds, insects, diseases) in specialty crop systems;
- Weed/Erosion Control – demonstrate conservation systems to include crop rotations, cover crops, organic mulches, conservation tillage, etc. in lieu of plastic culture;
- Nutrient Cycling – need technology to determine the proper crops and the sequence of the crops to maximize the nutrient cycling in specialty crop production systems;
- Demonstration of Beneficial Insect Habitat for Pest Control – need technology to determine the amount (acres) of habitat required to provide adequate pest control, matching plant species to attract desirable beneficial insect species, and managing habitat to provide pest control during the cropping season;
- Demonstration of Cover Crops – need technology on how cover crops can be used for the production of specialty crops to include orchards and vineyards to provide erosion control, recycle crop nutrients, improve soil quality, pest control for the next crop in rotation, and other ecosystem services; and
- Demonstrate the use of biological pest controls on specialty crops and vegetables and develop technical standards that NRCS can incorporate in the Field Office Technical Guide (FOTG).

Pollinator Habitat

Subcategories:

- Document the effectiveness and economy of alternate pest control methods in agricultural crops (e.g., ground application versus aerial application of pesticides, provision of habitat for “beneficial” insects) to protect pollinators and their habitats;
- Develop guidelines and management strategies for establishing and maintaining the foraging and nesting needs for specific pollinators and other beneficial insects;
- Establish demonstration plantings of NRCS-recommended pollinator habitat seed/plant mixes to determine if these mixes are providing the expected pollinator habitat while also performing the intended conservation function;
- Document time of bloom of native plants and non-invasive, non-native plants in addition to monitoring the specific pollinators foraging upon these plants;
- Demonstrate effective methods of establishing and maintaining the most beneficial pollinator-friendly plant materials for specific regions of the State; and
- Develop state, crop-specific guidance specifying the vegetative species, landforms, and necessary acreage to support appropriate populations of managed

and wild pollinators per unit area (e.g. acres) of pollinated crops (i.e., describe the components of the landscape).

II. FUNDING AVAILABILITY

NRCS anticipates that the amount available for support of this program in FY 2011 will be approximately \$300,000.

Funds will be awarded through a statewide competitive grants process. Individual projects funded through CIG State component may not receive more than \$75,000 from NRCS. CIG will fund single- and multi-year projects, not to exceed three years. Multi-state proposals will not be considered under this State Option.

Due to the limited amount of funds NRCS reserves the right to offer less funding than what is requested in the grant application.

The anticipated start date for awarded projects is July 31, 2011.

III. ELIGIBILITY INFORMATION

CIG applicants must be a federally recognized Indian tribe, State or local unit of government, non-governmental organization, or individual.

A. Matching Funds

Selected applicants may receive CIG grants of up to 50 percent of the total project cost. The recipient is required to match the USDA funds awarded on dollar-for-dollar basis from non-Federal sources with cash and in-kind contributions. Of the applicant's required match (50%), a minimum of 25 percent must come from cash sources; the remaining 25 percent may come from in-kind contributions. In-kind costs of equipment or project personnel cannot exceed 50 percent of the applicant's match (except in the case of projects carried out by either a Beginning Farmer or Rancher, Limited Resource Farmer or Rancher, or Indian tribe or a community-based organization comprised of or representing these entities). The remainder of the match must be provided in cash.

Matching funds must be secured at time of application. Applications should include written verification of commitments of matching support (including both cash and in-kind contributions) from third parties. Additional information about matching funds can be found at the following link: [2 CFR 215](#).

B. Beginning or Limited Farmers or Ranchers or Indian Tribes

For the FY 2010 grant award process, up to 10 percent of the total funds available for CIG may be set-aside for applications from Beginning Farmer or Ranchers, Limited Resource Farmers or Ranchers, or Indian tribes or community-based organizations comprised of or representing these entities. Up to three-fourths of the required matching funds for such projects (up to 37.5 percent of the total project cost) may derive from in-kind contributions. This exception is intended to help Beginning Farmers or Ranchers, Limited Resource Farmers or Ranchers, and Indian tribes meet the statutory requirements for receiving a CIG.

To compete for these set-aside funds, the applicant must make a declaration in the application as described in Part IV.A.j in this notice. Applications that are unsuccessful in the set-aside competition will be placed automatically in the general application pool for consideration. Funds not used in the set-aside pool will revert back into the general funding pool.

Beginning Farmer or Rancher - a person or legal entity who:

- Has not operated a farm or ranch, or who has operated a farm or ranch for not more than 10 consecutive years. This requirement applies to all members of an entity who will materially and substantially participate in the operation of the farm or ranch;
- In the case of a contract with an individual, individually, or with the immediate family, material and substantial participation requires that the individual provide substantial day-to-day labor and management of the farm or ranch consistent with the practices in the county or State where the farm is located; and
- In the case of a contract with an entity or joint operation, all members must materially and substantially participate in the operation of the farm or ranch. Material and substantial participation requires that each of the members provide some amount of the management or labor and management necessary for day-to-day activities, such that if each of the members did not provide these inputs, operation of the farm or ranch would be seriously impaired.

Limited Resource Farmer or Rancher -

- A person with direct or indirect gross farm sales not more than \$155,200 in each of the previous 2 years (adjusted for inflation using Prices Paid by Farmer Index as compiled by National Agricultural Statistical Service); and
- Has a total household income at or below the national poverty level for a family of four, or less than 50 percent of county median household income in each of the previous 2 years (to be determined annually using Department of Commerce data).

C. EQIP Payment Limitation and Duplicate Payments

Section 1240G of the Food Security Act of 1985, 16 U.S.C. 3839aa-7, imposes a \$300,000 limitation for all cost-share or incentive payments disbursed to individuals or entities under an EQIP contract between fiscal years 2008 and 2012. The limitation applies to CIG in the following manner:

- CIG funds are awarded through grant agreements. These grant agreements are not EQIP contracts; thus, CIG awards in and of themselves are not limited by the payment limitation.
- Direct or indirect payments made to an individual or entity using funds from a CIG award to carry out structural, vegetative, or management practices count toward each individual's or entity's EQIP payment limitation. Through project progress reports, CIG grantees are responsible for certifying that producers involved in CIG projects do not exceed the payment limitation. Further, all direct and indirect payments made to producers using CIG funds must be reported to the NRCS CIG program contact in the quarterly progress report (see section VI.C). Direct or indirect payments cannot be made for a practice for which the producer has already received funds, or is contracted to receive funds through any of the USDA programs (EQIP, Agricultural Management Assistance, Conservation Security Program, Wildlife Habitat Incentive Program, etc.) since this would be considered a duplicate payment.

D. Project Eligibility

To be eligible for CIG, **projects must involve** landowners who meet the EQIP eligibility requirements as set forth in [16 USC 3839aa-1](#). Further, all agricultural producers receiving direct or indirect payments through participation in a CIG project must also meet the EQIP eligibility requirements. These requirements are:

- Be an agricultural producer that is engaged in livestock or agricultural production as defined by EQIP. There must be an annual minimum of \$1,000 of agricultural products produced and/or sold from the operation. (Agricultural producers of nonindustrial private forest land or land capable of growing trees are exempt from the \$1,000 requirement.)
- Have an interest in the farming operation or the nonindustrial private forest land, or land capable of growing trees, associated with the land being offered.
- Have control of the land for the term of the project. For structural and vegetative practices, the applicant must submit a written concurrence by the landowner at the time of the application.
- Be in compliance with the provisions for protecting the interests of tenants and sharecroppers, including the provisions for sharing payments on a fair and equitable basis.
- Be in compliance with the highly erodible land and wetland conservation compliance provisions.
- Be within appropriate payment limitation requirements. May not receive, directly or indirectly, cost-share or incentive payments that in aggregate exceed \$300,000 during the period of fiscal years 2008 through 2012.
- Be in compliance with Adjusted Gross Income (AGI) requirements. A person or legal entity shall not be eligible to receive any benefit during a crop, fiscal, or program year, as appropriate, if the average adjusted gross non-farm income of the person or legal entity exceeds \$1,000,000, unless not less than 66.66 percent of the average adjusted gross income of the person or legal entity is average adjusted gross farm income.

Additional information regarding EQIP eligibility requirements can be found at:

<http://www.nrcs.usda.gov/programs/eqip/>. Participating producers are not required to have an EQIP contract.

A person or legal entity will not be eligible to receive any benefit during a crop, fiscal, or program year, as appropriate, if the average adjusted gross non-farm income of the person or legal entity exceeds \$1,000,000, unless not less than 66.66 percent of the average adjusted gross income of the person or legal entity is average adjusted gross farm income.

A person who is determined ineligible for USDA program benefits under the Highly Erodible Land Compliance and Wetland Compliance provisions of the Food Security Act of 1985 will not be eligible to receive direct or indirect payments through CIG.

Technologies and approaches that are eligible for funding in a project's geographic area through EQIP are ineligible for CIG funding except where the use of those technologies and approaches demonstrates clear innovation. The burden falls on the applicant to sufficiently describe the innovative features of the proposed technology or approach (applicants should reference the appropriate State's EQIP Eligible Practices List by contacting the State office).

The grantee is responsible for providing the technical assistance required to successfully implement and complete the project. NRCS will designate a Program Contact, Administrative Contact, and Technical Contact to provide oversight for each project receiving an award.

IV. PROPOSAL SUBMISSION INFORMATION

All Office of Management and Budget standard forms necessary for CIG submission are posted on the following Web site: Grants.gov-Forms. An application checklist is attached for your convenience and it is also available at Grants.gov-Forms and <http://www.pa.nrcs.usda.gov/programs/CIG/CIG.html>.

A. Application Content and Format

Applications are required to contain the content, format, and information set forth below in order to receive consideration for funding. Applicants should not assume prior knowledge on the part of NRCS or others as to the relative merits of the project described in the application. Applicants must submit original and one copy of the application in the following format:

- Applications should be typewritten or printed on 8½" x 11" white paper. The text of the application should be in a font no smaller than 12-point, single-spaced, single-sided, with one-inch margins.
- Applications that fail to comply with the required content and format will not be considered for funding.

Applications must include all required forms and narrative sections described below.
Incomplete applications will not be considered.

- a. Proposal Cover Sheet: Applicants must use Standard Form 424 Application for Federal Assistance as the cover sheet for each project application. Standard Form 424 can be downloaded from Grants.gov-Forms.
- b. Project Summary Sheet: Applicants must submit the information below (limited to 1 page in length). An optional template titled "Project Summary" is available at: Grants.gov-Forms and <http://www.pa.nrcs.usda.gov/programs/CIG/CIG.html>.
 1. Project Title
 2. Applicant determined CIG funding category (refer to section I.D)
 3. Applicant determined sub-category (refer to section I.D)
 4. Project start and end dates
 5. Project director name, contact information (including email)
 6. Names and affiliations of project collaborators
 7. Brief description of the project
- c. DUNS Number: A Dun and Bradstreet (D&B) Data Universal Numbering System (DUNS) number is a unique nine-digit sequence recognized as the universal standard for identifying and keeping track of over 70 million businesses worldwide. A *Federal Register* notice of final policy issuance (68 FR 38402) requires a DUNS number in every application (i.e., hard copy and electronic) for a grant or cooperative agreement (except applications from individuals) submitted on or after October 1, 2003. Information on how to obtain a DUNS number can be found at: <http://www.grants.gov/RequestaDUNS> or by calling 1-866-705-5711. Please note that the registration may take up to 14 business days to complete.
- d. Required Central Contractor Registry (CCR) Registration: The CCR is a database that serves as the primary government repository for contractor information required for the

conduct of business with the government. This database will also be used as a central location for maintaining organizational information for organizations seeking and receiving grants from the government. CIG applicants must register with the CCR. To register, go to: <http://www.ccr.gov>. Allow a minimum of 5 days to complete the CCR registration.

- e. **Project Description:** The description **must** include the following information and is limited to 10 pages in length. Pages in excess of the 10-page limit will be discarded and not evaluated. Bibliography, resumes, and references will be included in the page count for the project page limit.
1. **Project narrative:** The project narrative should provide a clear description of the work to be undertaken and how it will be accomplished. It must be formatted to address each of the merit review criteria listed in Part V.A and provide sufficient information for the reviewers to evaluate the application in accordance with these merit review criteria.
 2. **Project background:** Describe the history of, and need for, the proposed innovation. **Provide evidence that the proposed innovation has been studied sufficiently to indicate a good probability for success of the project.**
 3. **Project objectives:** Be specific using qualitative and quantitative measures, if possible, to describe the project's purpose and goals. Describe how the project is innovative.
 4. **Project methods:** Describe clearly the methodology of the project and the tools or processes that will be used to implement the project.
 5. **Location and size of project or project area:** Describe the location of the project and the relative size and scope (e.g., acres, farm types and demographics, etc.) of the project area. Provide a map.
 6. **Producer participation:** Estimate the number of producers involved in the project and describe the extent of their involvement. (All producers involved in the project must be eligible for EQIP.)
 7. **Project action plan and timeline:** Provide a **table** listing project actions, timeframes, and associated milestones through project completion.
 8. **Project management:** Give a **detailed description** of how the project will be organized and managed. Include a list of key project personnel, their relevant education or experience, and their anticipated contributions to the project. Explain the level of participation required in the project by government and non-government entities. Identify who will participate in monitoring and evaluating the project.
 9. **Benefits or results expected and transferability:** Identify the results and benefits to be derived from the proposed project activities, and **explain how the results will be measured**. Identify project beneficiaries, i.e., agricultural producers by type, region, or sector; rural communities; and municipalities. Explain how these entities will benefit. In addition, describe how results will be communicated to others via outreach activities.
 10. **Project evaluation:** Describe the methodology or procedures to be followed to evaluate the project, determine technical feasibility, and quantify the results of the project for the final report (grant recipients will be required to provide a quarterly report of progress, quarterly financial reports, and a final project report to NRCS. Instructions for submitting quarterly reports will be detailed in the grant agreement).

11. Project deliverables/products: Provide a list of specific deliverables and products that will allow NRCS to monitor project progress and payment. In addition to specific deliverable, applications must include the following activities as deliverables:

- i. Quarterly reports
- ii. Supplemental narratives to explain and support payment requests
- iii. Final report
- iv. Performance items specific to the project that indicate progress [A thorough list and explanation of measurable performance items specific to the project will be used in the technical evaluation (refer to “CIG Technical Evaluation Criteria”-section V.A)
- v. New technology and innovative approach fact sheet
- vi. Participation in at least one NRCS CIG Showcase or comparable NRCS event during the period of the grant

12. Environmental Information and Assessment of Environmental Impacts: Describe and assess the anticipated environmental effects of the proposed project. The description of the potential environmental and social impacts must address all potential beneficial and adverse impacts of the proposed action. A full description and assessment of the potential impacts to all potentially impacted environmental resources must be disclosed. **One line or short descriptions of environmental impacts are not acceptable.** The length of the analysis should be commensurate with the complexity of the project proposed and the environmental impacts impacted either directly, indirectly (later in time), or cumulatively. Where possible, information on environmental impacts should be quantified, such as number of acres of wetlands impacted, amount of carbon sequestration estimated, etc. Environmental resources include soil, water, air, plants, and animals, as well as other specific resources protected by law, Executive Order, and agency policy. These resources are outlined in the NRCS Environmental Evaluation Worksheet, form NRCS-CPA-52, which is available at: [NRCS-CPA-52](#). The CPA-52 form can be used as a guide for the scope of environmental information that should be prepared for this section of the application. Applicants may consult with the NRCS Environmental Planning Specialist concerning the scope of what should be addressed in this section of the application. (contact information listed under section VII)

Note: Please be aware that applications for projects with potentially adverse impacts may need to be modified in order to achieve acceptable and beneficial levels of environmental impact. If projects cannot be modified, then there is a potential during the screening process that the application may not be selected.

- f. **Budget Information**: Applicants must prepare a Standard Form (SF) 424-A Budget Information Non-Construction Programs to document budget needs. The SF-424A is available at: [Grants.gov-Forms](#) or can be obtained from a NRCS State office. For standard grant applications, a budget form is required for each year of requested support. In addition, a cumulative budget is required detailing the requested total support for the overall project period. The budget form may be reproduced as needed by applicants. Funds may be requested under any of the categories listed on the form, provided that the item or service for which support is requested is allowable under the authorizing legislation, the applicable statutes, regulations, Federal cost principles, and NRCS program guidelines and can be justified, as necessary, for the successful

conduct of the proposed project. **Applicants must also include a budget narrative** to justify their budget requests (see paragraph g below). If claiming indirect costs, the applicant must provide an indirect cost rate agreement or indirect cost rate proposal as justification for the rate of indirect costs being claimed. Indirect costs are based on total Federal funds awarded and cannot exceed 15 percent.

- g. **Budget Narrative (maximum 9 pages):** In addition to the SF-424A, all applicants must provide a **detailed narrative** in support of the budget for the project, broken down by each project year. All budget categories for which support is requested must be individually listed (with costs) in the same order as the budget and justified on a separate sheet of paper and placed immediately behind the Budget Form (SF-424A). Discuss how the budget specifically supports the proposed activities. Explain how budget items such as personnel, travel, equipment, etc. are essential to achieving project objectives. Justify the project cost effectiveness and include justification for personnel salaries such as resumes. A budget narrative is also required for the matching portion.
- h. **Matching:** Applications should include written verification of commitments of matching support (including both cash and in-kind contributions) from third parties.

For any third party cash contributions, a separate pledge agreement for each donation, signed by the authorized organizational representative of the donor organization and the applicant organization, which must include: (1) the name, address, and telephone number of the donor, (2) the name of the applicant organization, (3) the title of the project for which the donation is made, (4) the dollar amount of the cash donation, and (5) a statement that the donor will pay the cash contribution during the grant period.

"In-kind" refers to non-cash contributions of goods or services made by third party individuals or organizations to support projects. Examples of in-kind include work done by unpaid volunteers and donations of supplies, facilities, or equipment. In-kind contributions must be necessary to accomplish program activities and are verifiable.

For any third party in-kind contributions, a separate pledge agreement for each contribution, signed by the authorized organizational representatives of the donor organization and the applicant organization, which must include: (1) the name, address, and telephone number of the donor, (2) the name of the applicant's organization, (3) the title of the project for which the donation is made, (4) a good faith estimate of the current fair market value of the third party in-kind contribution, and (5) a statement that the donor will make the contribution during the grant period.

The sources and amounts of all matching support from outside the applicant institution should be summarized on a separate page and placed in the application immediately following the summary of matching support (matching support means a budget narrative broken down by year).

The value of applicant contributions to the project will be established in accordance with the applicable cost principles. Applicants should refer to OMB Circulars, Cost Principles that apply to their entity for additional guidance, and other requirements relating to matching and allowable costs.

- i. **Declaration of Previous CIG Projects Involvement:** Identify any previously awarded CIG projects involvement related to this proposal and any of its principal investigators. Detail the purpose, outcomes to date, and how this new proposal relates to the previous award.
Applicants not in compliance with a previous CIG agreement or with the terms of any USDA-administered conservation program (such as AMA, CBWI, CSP, EQIP, WHIP, CRP, CREP, PL-566) contract within the last three years; will be considered “Low Priority” for receiving CIG funds.
- j. **Declaration of Beginning Farmer or Rancher, Limited Resource Farmer or Rancher, or Indian Tribe:** If an applicant wishes to compete in the 10 percent set-aside funding pool, applicants must make a declaration in writing of their status as a Beginning Farmer or Rancher, Limited Resource Farmer or Rancher, or Indian tribe or a community-based organization comprised of or representing these entities. This declaration is also required in order to be eligible for the in-kind contribution exception. (Refer to Part III B that describes the provision of a set-aside pool of funding for Beginning or Limited Farmers or Ranchers and Indian tribes.)
- k. **Declaration of EQIP Eligibility:** Applicants must include a statement indicating that the proposed project will involve EQIP-eligible producers. Applicants must make a declaration in writing that they, or parties involved in the project, are eligible for EQIP **(if EQIP eligible producers are not involved, the proposal will be considered ineligible)**. The declaration must describe and certify the level of involvement by EQIP eligible producers.
- l. **Certifications:** All applications must include a signed Standard Form (SF) 424B - Assurances, Non-construction Programs. The SF-424B may be found at: [Grants.gov-Forms](http://www.pa.usda.gov/forms) or at <http://www.pa.nrcs.usda.gov/programs/CIG/CIG.html> . Applicants, by signing and submitting an application, assure and certify that they are in compliance with the following from 7 CFR:
 - a. Part 3017, [Government wide Debarment and Suspension \(Non-procurement\)](#)
 - b. Part 3018, [New Restrictions on Lobbying](#)
 - c. Part 3021, [Government wide Requirements for Drug Free Workplace \(Financial Assistance\)](#)

B. How to Submit an Application

Applicants may submit applications electronically through Grants.gov or to the e-mail address listed below. Applications submitted through Grants.gov or e-mail must contain all of the elements of a complete package and meet the requirements described above. Instructions for electronically submitting the required standard forms, and instructions for adding attachments are posted on Grants.gov. Applications submitted electronically are date and time stamped by Grants.gov and must be received by the identified closing date of **March 31, 2011**. E-mailed applications must be received by NRCS before the submission deadline.

Note: NRCS is not responsible for any technical malfunctions or web site problems related to Grants.gov or emailed submissions. Applicants should begin the Grants.gov process or send their email in advance of the submission deadline to avoid problems.

E-mail address: Noel.Soto@pa.usda.gov

The address for submitting hand-delivered, regular US Postal Service mail, express mail or overnight courier service applications is:

Noel Soto - CIG
USDA-NRCS State Office
One Credit Union Place, Suite 340
Harrisburg, PA 17110-2993

The contact phone number for hand-delivered applications is: (717) 237-2173.

Note: Applicants must submit one signed original and one copy of each project application. Applications submitted by fax will not be considered.

C. Application Due Date

Applications must be received in Pennsylvania NRCS State Office by 4:00 p.m. EST on **March 31, 2011**. The applicant assumes the risk of any delays in application delivery. Applicants using non-electronic options (sending hardcopies) are strongly encouraged to submit completed proposals via overnight mail or delivery service to ensure timely receipt by NRCS.

D. Acknowledgement of Submission

Applications received by the due date will be acknowledged with an electronic notification (email). For applicants without an email address acknowledgement will be done by official hardcopy letter. If an applicant has not received an acknowledgement within 30 days of the submission, they must contact the NRCS program contact below. Failure to do so may result in the application not being considered for funding.

CIG Program Contact:

Noel Soto
USDA-NRCS
One Credit Union Place, Suite 340
Harrisburg, PA 17110-2993
Phone: (717) 237-2173
Fax: (717) 237-2238
Email: Noel.Soto@pa.usda.gov

E. Funding Restrictions

Awardees may not use unrecovered indirect costs as part of their matching funds.

CIG funds may not be used to pay any of the following costs unless otherwise permitted by law, or approved in writing by the Authorized Departmental Officer in advance of incurring such costs:

- a. Costs above the amount of funds authorized for the project;
- b. Costs incurred prior to the effective date of the grant;
- c. Costs which lie outside the scope of the approved project and any amendments thereto;
- d. Entertainment costs, regardless of their apparent relationship to project objectives;
- e. Compensation for injuries to persons, or damage to property arising out of project activities;

- f. Consulting services performed by a Federal employee during official duty hours when such consulting services result in the payment of additional compensation to the employee; and,
- g. Renovation or refurbishment of research or related spaces; the purchase or installation of fixed equipment in such spaces; and the planning, repair, rehabilitation, acquisition, or construction of buildings or facilities.

This list is not exhaustive. Questions regarding the allowances of particular items of cost should be directed to the administrative contact person.

F. Patents and Inventions

Allocation of rights to patents and inventions shall be in accordance with USDA regulation [7 CFR §3019.36](#). This regulation provides that small businesses normally may retain the principal worldwide patent rights to any invention developed with USDA support. In accordance with [7 CFR §3019.2](#), this provision will also apply to commercial organizations for the purposes of CIG. USDA receives a royalty-free license for Federal Government use, reserves the right to require the patentee to license others in certain circumstances, and requires that anyone exclusively licensed to sell the invention in the United States must normally manufacture it domestically.

G. Environmental Review Requirements

The Council on Environmental Quality's National Environmental Policy Act (NEPA) regulations at CFR Part 1500-1508 and NRCS' regulation that implements NEPA at 7 CFR Part 650 require that an environmental review be prepared for actions where the agency has discretion and control. Accordingly, NRCS' financial assistance under the CIG program requires compliance with these regulations. As part of the application packet, applicants are required to provide environmental information pertaining to their project to help NRCS determine the appropriate documentation required to comply with NEPA and NRCS regulations (see section IV.A.e. 12).

Upon notification of selection, the applicant must contact the State NRCS Environmental Planning Specialist in order to determine the scope and level of NEPA documentation required for the project. The environmental documentation prepared to meet NEPA requirements must be prepared prior to award of grant funds. Selected applicants may be required to prepare and pay for the preparation of the appropriate NEPA document if an Environmental Assessment or Environmental Impact Statement is needed. Grant funds cannot be awarded until the environmental review requirements demonstrating compliance with NEPA are met.

H. Withdrawal of Applications

Applications may be withdrawn by written notice at any time before selections are made. Applications may be withdrawn by the applicant, or by an authorized representative thereof, if the representative's identity is made known and the representative signs a receipt for the application.

V. APPLICATION REVIEW

Application Review and Selection Process

Applications meeting the provisions of this notice will be technically reviewed by NRCS specialists and scored by the State Technical Committee, or a sub-committee thereof.

Applications will be reviewed based on the CIG Technical Evaluation Criteria listed in Part V.A below. Scored applications will be forwarded to the State Conservationist, who will make the award selections.

A. Criteria for Application Evaluation

CIG Technical Evaluation Criteria
<u>Purpose, Approach, and Goals</u> <ul style="list-style-type: none">a) Design and implementation of project based on sound methodology and demonstrated technology.b) Promotes environmental enhancement and protection in conjunction with agricultural production.c) Project outcome is clearly measurable.d) Potential for successful completion.e) Both beneficial and adverse impacts are considered and an acceptably significant level of improvement will be achieved.
<u>Innovative Technology or Approach</u> <ul style="list-style-type: none">a) Project is innovative.b) Project conforms to description of innovative projects or activities in proposal request announcement.
<u>Project Management</u> <ul style="list-style-type: none">a) Timeline and milestones are clear and reasonable.b) Project staff has technical expertise needed.c) Budget is adequately explained and justified.d) Experience and capacity to partner with and gain the support of other organizations, institutions and agencies.
<u>Transferability</u> <ul style="list-style-type: none">a) Potential for producers and landowners to use the innovative technology or technologies.b) Potential to transfer the approach or technology to a broader audience or other geographic or socio-economic areas, including limited resource, socially disadvantaged, and other traditionally underserved producers and communities.c) Potential for NRCS to successfully use the innovative approach or methods.d) Project will result in the development of technical or related technology transfer materials (technical standards, technical notes, guide sheets, handbooks, software, etc.)

B. Anticipated Announcement and Award Dates

CIG Awards are anticipated to be announced by **May 31, 2011**. Funds are not awarded, and work may not start until an agreement is signed by both NRCS and the grantee. All agreements are expected to be awarded by **July 15, 2011**.

VI. AWARD INFORMATION AND ADMINISTRATION

A. Award Notification

Applicants who have been selected for funding will receive a letter of official notification. However, all selections are contingent upon successful completion of the environmental review process and financial review. The official notice will also indicate the need to work with the administrative contact to develop an agreement prior to starting work on the project. Applicants who are not selected will be notified by official letter.

NRCS reserves the right to have grant award(s) administered by a third party. In the event that a third party administers the grant award(s), the applicant/recipient will be notified in writing.

B. Grant Agreement

The Commodity Credit Corporation, through NRCS, will use a grant agreement with selected applicants to document participation in the CIG component of EQIP. The grant agreement will include:

1. Project purpose
2. Project objectives
3. Project deliverables (refer to section IV.A.e.11)
4. Final project plan listing cooperators in the project and identifying the grant applicant and project manager
5. Project timelines and expected project completion date
6. Project progress and budget reporting requirements
7. Award amount and budget information
8. Information regarding requests for advance of funds or reimbursement
9. Role of NRCS technical oversight in the project
10. Reporting requirements including attendance at NRCS CIG showcase or comparable NRCS event during the period of the grant
11. Changes in project plans
12. Other requirements and terms deemed necessary by the CCC to protect the interests of the United States

C. Reporting Requirements

Grantees must submit a Federal Financial Report (SF-425) no later than 30 days after the end of each quarter and 90 days after completion of project. The SF-425 is available at: [Grants Management Forms](#).

In addition, the grantee must submit a written performance progress report to the NRCS Program and Technical Contacts every 3 months. This report is distinct from the quarterly financial report described above. Each progress report must cover work performed during the previous 3-month

period, including any funded or unfunded time extensions, a comparison of actual accomplishments to project goals, and a statement of work projected to be completed in the next 3-month period.

The grantee is responsible for providing the technical assistance required to successfully implement and complete the project. NRCS will designate a Program Contact, an Administrative Contact, and a Technical Contact to provide oversight for each project receiving an award. These individuals will have technical oversight responsibility for the project. NRCS recommends that the grantee work closely with these subject matter experts throughout the course of the project.

To satisfy the requirements of EQIP (7 CFR 1466) compliance measures, the grantee is required to submit as a component of the quarterly progress report:

1. A list of producers, identified by name and social security number, of all EQIP-eligible producers or entities involved in the project.
2. The dollar amount of direct and indirect payment made to each individual producer or entity for any structural, vegetative, or management practices. Both quarterly and cumulative payment amounts must be submitted.
3. A self-certification indicating that each individual or entity receiving a direct or indirect payment through this grant is in compliance with the EQIP Payment Limitation, AGI, HEL, and Wetlands Conservation Compliance Farm Bill provisions.

A progress report template is available on the NRCS CIG Web site at:

<http://www.pa.nrcs.usda.gov/programs/CIG/CIG.html>.

The grantee must send copies of each quarter progress report to the CIG program contact and comply with any requests for additional information.

Upon passage of the completion date of the project, a final report must be submitted within 90 days detailing project activities, funding received, funding expended, results, and potential for transferability of results. The final report should address completion of the project deliverables listed in the grant agreement.

Grantees will be required to attend at least one NRCS sponsored technical session to present project results at their own expense.

VII. AGENCY CONTACTS

CIG Program Contact:

Noel Soto
USDA-NRCS
One Credit Union Place, Suite 340
Harrisburg, PA 17110-2993
Phone: (717) 237-2173
Fax: (717) 237-2238
Email: Noel.Soto@pa.usda.gov

CIG Administrative Contact:

Debra Eckley
USDA-Natural Resources Conservation Service
One Credit Union Place, Suite 340
Harrisburg, PA 17110-2993
Phone: (717)237-2224
Fax: (717)237-2238
Email: Debra.Eckley@pa.usda.gov

NRCS Environmental Planning Specialist:

Jeff Mahood
USDA-Natural Resources Conservation Service
One Credit Union Place, Suite 340
Harrisburg, PA 17110-2993
Phone: (717)237-2215
Fax: (717)237-2238
Jeff.Mahood@pa.usda.gov

Additional information about CIG, including fact sheets and frequently asked questions, is available on the CIG Web page at: <http://www.nrcs.usda.gov/technical/cig/index.html>.

Signed this 26 day of January, 2011 in Harrisburg, Pennsylvania.



Denise Coleman
State Conservationist

Attachment

"The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or a part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of discrimination write to USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410 or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer.

ATTACHMENT:

Important: Applications Missing Any of These Required Items Will Not Be Considered

**CONSERVATION INNOVATION GRANTS
PROPOSAL PACKAGE CHECK LIST**

- 1. Proposal Cover Sheet:** Submit Standard Form 424 Application for Federal Assistance
- 2. Project Summary Sheet:** Submit a brief description including the information below (limited to 3 pages in length). An optional template titled “Project Summary” is available at: <http://www.pa.nrcs.usda.gov/programs/CIG/CIG.html>.
 - a. Project Title
 - b. Applicant determined CIG funding category (refer to page 4)
 - c. Applicant determined sub-category (refer to page 4 for a list and description)
 - d. Project Start and End Dates
 - e. Project Director name, contact information (including e-mail)
 - f. Names and Affiliations of Project Collaborators
 - g. Brief description of the project
- 3. DUNS Number:** For information about how to obtain a DUNS number, go to <http://www.grants.gov/RequestaDUNS> or call 1-866-705-5711. Please note that the registration may take up to 14 business days to complete.
- 4. Required CCR Registration:** To register, visit <http://www.ccr.gov>. Allow a minimum of 5 days to complete the CCR registration.
- 5. Project Description:** (10 pages maximum, single-spaced, single-sided, 12 point font)
 - a. Project narrative
 - b. Project background
 - c. Project objectives
 - d. Project methods
 - e. Location and size of project area (include a map)
 - f. Producer participation
 - g. Project action plan and timeline
 - h. Project management
 - i. Benefits or results expected and transferability
 - j. Project evaluation
 - k. Deliverables/products
 - l. Environmental information and assessment of environmental impacts
- 6. Budget Information:** Submit a completed Standard Form 424A (SF-424A) Budget Information-Non-Construction Programs.
- 7. Budget Narrative:** Submit a detailed budget narrative (maximum of 9 pages).
- 8. Matching Funds Information.**
- 9. Declaration of Previous CIG Projects.**

- 10. Declaration of Beginning Farmer or Rancher, Limited Farmer or Rancher, or Indian tribe (Special Provisions):** If applicable, include a statement declaring your status as a Beginning Farmer or Rancher, Limited Resource Farmer or Rancher, or Indian tribe, or community-based organization representing these entities.
- 11. Declaration Environmental Quality Incentives Program (EQIP) Eligibility:** Include a statement indicating that the proposed project will involve EQIP-eligible producers. Applicants must make a declaration in writing that they, or parties involved in the project, are eligible for EQIP. (If EQIP eligible producers are not involved, the proposal will be considered ineligible.)
- 12. Certifications:** Complete Standard Form 424B (SF-424b) Assurances-Non-Construction Programs.