DEPARTMENT OF AGRICULTURE
AGENCY: Natural Resources Conservation Service, Commodity Credit Corporation

ACTION: NOTICE
Conservation Innovation Grants Fiscal Year (FY) 2013 Announcement for Program Funding

Catalog of Federal Domestic Assistance (CFDA) Number: 10.912

SUMMARY: The North Dakota State Office of the USDA Natural Resources Conservation Service (NRCS) is announcing the availability of Conservation Innovation Grants (CIG) to stimulate the development and adoption of innovative conservation approaches and technologies. Applications are accepted from any eligible entity for projects within the state of North Dakota. North Dakota NRCS anticipates that the amount available for support of this program in FY 2013 will be approximately $55,000. Applications are requested from eligible governmental or non-governmental organizations or individuals for competitive consideration of grant awards for projects between 1 and 3 years in duration. Funds will be awarded through a competitive grants process.

This notice identifies the objectives, eligibility criteria, and application instructions for CIG projects. Applications will be screened for completeness and compliance with the provisions of this notice. Incomplete applications will be eliminated from competition, and notification of elimination will be mailed to the applicant.

DATES: Applications must be received in the North Dakota NRCS State Office at 220 East Rosser, Bismarck, ND by 4 p.m. Central Daylight Time (CDT) **May 20, 2013**. Notification of selected proposal applications will be announced by **August 1, 2013**.

ADDRESSES: Applications sent via hand-delivery, express mail, United States Postal Service or overnight courier service must be sent to: Natural Resources Conservation Service, Conservation Innovation Grants Program c/o Todd Schwagler; P.O. Box 1458, 220 East Rosser Ave., Bismarck, ND 58502. The contact phone number for hand-delivered proposals and applications (needed to enter the William Guy Federal Building) is: (701)530-2084.

Applications sent electronically must be sent through www.grants.gov or to nrcscig@wdc.usda.gov.

For more information contact:

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USDA-NRCS
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Bismarck, ND 58502
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I. FUNDING OPPORTUNITY DESCRIPTION

A. Legislative Authority

The Conservation Innovation Grants (CIG) program was authorized as part of the Environmental Quality Incentives Program (EQIP) [16 U.S.C. 3839aa-8] under 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 into NRCS policy, technical manuals, guides, and references, or to the private sector. **CIG does not fund research projects. Projects intended to test hypotheses do not qualify for a CIG award.** CIG is used to apply or demonstrate previously proven technology. It is a vehicle to stimulate development and adoption of conservation approaches or technologies that have been studied sufficiently to indicate a high likelihood of success, and that are a candidate 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. The purchase of equipment is not allowable under this CIG.

NRCS will accept applications for single or multi-year projects, not to exceed 3 years, submitted to NRCS from eligible entities including Federally recognized Indian tribes, State and local units of government, and non-governmental organizations and individuals. Applications are accepted from outside of North Dakota; however, the project area must be within the State of North Dakota and included EQIP-eligible participants in North Dakota.

Applications will be screened for completeness and compliance with the provisions of this notice. Incomplete applications will be eliminated from competition, and notification of elimination will be mailed to the applicant. Complete applications received by applicable deadlines will be evaluated by a technical peer review panel based on the Criteria for Application Evaluation identified in the application instructions.

Applications will be reviewed by the North Dakota State NRCS office. The review team will make recommendations for project approval to the NRCS North Dakota State Conservationist who will make the final selections.

C. Innovative Conservation Projects or Activities

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

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

To be given priority consideration, the innovative project or activity must comply with all federal, state, and local regulations throughout the duration of the project and should:

- Make use of a proven technology or a technology that has been studied sufficiently to indicate a high probability of success;
- Demonstrates and verifies environmental (e.g. soil, water, air, plants, energy and animal) effectiveness, utility, affordability, and usability of conservation technology in the field;
- Adapts conservation technologies, management, 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; or
- Demonstrate transferability of knowledge.

D. CIG Natural Resource Concerns Categories

1. North Dakota

For FY 2013 CIG awards North Dakota NRCS will consider proposals that demonstrate the use of innovative technologies and/or approaches to address at least one bulleted topic listed below. Proposals must identify the most appropriate bulleted topic the innovation/technology is addressing.

a) Nutrient Management

- Demonstrate and quantify the optimal combinations of nutrient source, application rate, placement, and application timing (4 Rs), as measured by impact on nutrient use efficiency and yield for one or more of the following: corn, soybeans, wheat, vegetables, hay/pasture. Demonstrations are encouraged that show how these optimal combinations change for one or more of the following comparisons: irrigated vs. non-irrigated management, tillage vs. reduced tillage systems, manure-amended vs. non manure-amended systems, and/or organic vs. conventional production systems.
- Demonstrate and quantify the effectiveness of bundling conservation measures to avoid, control, and trap nutrient losses from the field.
- Demonstrate and quantify the effectiveness of methods to capture dissolved phosphorus from field runoff and subsurface drainage.
- Demonstrate the applicability and utility of in-season nitrogen management tools for determining additional nutrient needs for a range of soils, climates and/or cropping systems.

- Demonstrate technologies that can improve cost efficiency of transporting manure nutrients from regions of dense populations of animal agriculture operations to areas with low densities of animal operations that have demand for manure nutrients.
- Demonstrate innovative techniques for keeping liquid manure applied via irrigation, surface application, or injection from entering subsurface drainage systems through macro pores.
- Demonstrate new alternatives to manure application to frozen or saturated soils.
- Demonstrate suite(s) of conservation practices and document the conditions for their optimal use in protecting surface and ground water quality if manure or nutrients were to be applied to frozen soil.

b) Soil Health

- Demonstrate and quantify the impacts of cover crops, crop rotations, tillage and/or soil amendments on soil chemical, physical, and/or biological properties and their relationships with nutrient cycling, soil water availability, and plant growth.
- Demonstrate and quantify the rate of increase in available soil water holding capacity as a function of soil properties (e.g., particle size, mineralogy), management practices (e.g., tillage, amendments, cover crop or crop residue inputs), and/or climate.
- Development of optimal species mixes, seeding rates and seeding methods (e.g., inter-seeding, inter-cropping, frost-seeding) to enhance cover crop establishment/survival and increase soil organic matter.
- Quantify and demonstrate the impacts of Soil Health Management Systems on nutrient losses through surface and subsurface pathways for tile-drained and non-drained soils.
- Development of a decision support tool that incorporates the impacts of crop residue/cover crop quality parameters (e.g., cellulose, lignin, C/N) on decomposition and nutrient turnover for designing Soil Health Management Systems that optimize nutrient availability, control soil-born diseases, and increase available soil water holding capacity.
- Demonstrate and quantify the impacts of cover crop presence, species mix, and management (e.g., termination growth stage, tillage practice) on soil water content and subsequent crop yield across a range of climates and cropping systems.
- Demonstrate and quantify impacts of soil health promoting practices (e.g., no-tillage, cover crops, crop rotations) on yield, yield variability, and economics of crop production across a range of soils, cropping systems, and climates.
- Demonstrate and quantify the impacts of Soil Health Management Systems (e.g., cover crops, reduced tillage) on key soil health attributes (e.g., available water holding capacity, disease suppression, nutrient cycling) and determine the extent to which the rates of change are influenced by climate, organic input chemical composition/placement, and soil properties (e.g., particle size, mineralogy). This should be conducted across a range of inherent soil properties, cropping systems, and climates to develop a Decision Support Tool that promotes selection and design of the components of a Soil Health Management System.
- Demonstrate innovative approaches for adopting soil health promoting practices in relatively cool and/or wet climates (e.g., zone tillage, short season cultivars). Demonstrate and quantify at a watershed scale the water quality impacts of installing conservation systems that support and improve soil health.

c) Wildlife

- Develop planning and decision aids to assess and maximize wildlife habitat value on land used to grow biofuel crops.
- Demonstrate new techniques and/or technologies for monitoring and evaluating wildlife habitat both on-site and via remote sensing.
- Develop regional, crop-specific guidance providing the vegetative species, landforms, and necessary acreage to support appropriate populations of managed and wild pollinators per unit area of pollinated crops (e.g., describe the components of the landscape).
- Demonstrate and quantify the impacts of grazing as a habitat management tool.
- Develop and/or demonstrate fish screen, fish passage, and other fish related technology and criteria for native aquatic species of conservation concern.
- Demonstrate innovative approaches for restoring and reconnecting bottomland hardwood ecosystems that preserve hydrologic connectivity and aquatic organism passage.
- Develop metrics of measurable habitat improvement that could potentially be traded under a species-banking framework.

d) Grazing Land

The objective of this natural resource concern is to implement new technologies and/or approaches to maintain, restore, or enhance grazing land while sustaining productivity. Subtopics include:

- Improved invasive species management and control methods on grazing;
- New and innovative approaches and methods to reduce the effects of pests and diseases on grazing land quality, health, and productivity;
- New and innovative approaches and methods to reduce fragmentation on grazing land quality, health, and productivity;
- Development of new, alternative systems or practices to minimize overgrazing, restore lands suffering effects of overgrazing, and improve forage productivity and utilization;
- Low-input approaches to increasing forage production; and
- Alternative grasses or forages for livestock production that improves or enhances resource conservation.

II. FUNDING AVAILABILITY

North Dakota NRCS anticipates that the amount available for support of this program in FY 2013 will be approximately **$55,000**. CIG will fund single and multi-year projects, not to exceed three years (anticipated project start date of **September 1, 2013**). Funds will be awarded through a statewide competitive grants process.

III. PROGRAM REQUIREMENTS AND INFORMATION

A. Applicant Eligibility

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

B. Project Eligibility

To be eligible for CIG, projects must involve landowners who meet the EQIP eligibility requirements set forth in 16 USC 3839aa-1. Additional information regarding EQIP eligibility requirements can be found at: http://www.nrcs.usda.gov/wps/portal/nrcs/main/national/programs/financial/eqip. Participating producers are not required to have an EQIP contract.

C. Matching Funds Requirements

Selected applicants may receive CIG grants of up to 50 percent of their total project cost not to exceed $1 million. CIG recipients must match the USDA funds awarded on a dollar-for-dollar basis from non-Federal sources with cash and in-kind contributions. Of the applicant's required match (50 percent), a minimum of 25 percent of the total project cost must come from cash sources; the remaining 25 percent may come from in-kind contributions.

The 25 percent limit on in-kind contributions does not apply to projects carried out by a Beginning Farmer or Rancher, Limited Resource Farmer or Rancher, Federally recognized Indian tribes, members of Federally recognized Indian tribes, or a community-based organization comprised of or representing them). Instead, up to 37.5 percent of their total project cost may derive from in-kind contributions. This exception is intended to help these individuals and entities meet the statutory requirements for receiving a CIG. The remaining 12.5 percent 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 2 CFR 215.

D. EQIP Payment Limitation and Duplicate Payments

Subject to limited exception, 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 2014.
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 individuals or entities involved in CIG projects do not exceed the payment limitation. All direct and indirect payments made to individuals or entities using CIG funds must be reported to the NRCS CIG program manager in the semi-annual report. Direct or indirect payments cannot be made for a practice for which the individuals or entities has already received funds, or is contracted to receive funds through any USDA programs (EQIP, Agricultural Management Assistance, Conservation Security Program, Conservation Stewardship Program, Wildlife Habitat Incentive Program, etc.) because that would be a duplicate

payment. Further, all individuals or entities receiving direct or indirect payments through participation in a CIG project must also meet the EQIP eligibility requirements.

To participate in EQIP financial assistance, an individual or entity must meet the eligibility requirements in 7 C.F.R. 1466.8, which include the following:

Criteria	**Potential Verification Documentation***
Be in compliance with the highly erodible land and wetland conservation provisions (7 C.F.R. Part 12)	Documentation of their compliance status can be obtained by the producer at their local USDA Service Center or through the USDA customer service on-line portal
Have an interest in the agricultural operation as defined in 7 C.F.R. Part 1400	Documentation of their farm interest can be obtained by the producer at their local USDA Service Center or through the USDA customer service on-line portal showing that the producer has farm records established
Have control of the land for the term of the proposed contract period	Documentation can be provided in the form of a deed, lease, or other documents which show the producer has adequate control for the term of the proposed contract period
The average adjusted gross income of the individual, joint operation, or legal entity may not exceed $1,000,000, unless not less than 66.66 percent of the average adjusted gross income of the person, joint operation, or legal entity is average adjusted gross farm income (7 C.F.R. Part 1400)	If using FY 2013 CIG funding documentation of a producer's AGI eligibility status can be obtained by the producer at their local USDA Service Center, or through the USDA customer service on-line portal.

*Many of the verification documents will require that the producer have current records established with the Farm Service Agency (FSA) or require that the producer establish new records.

E. Beginning or Limited Resource Farmers or Ranchers or Federally Recognized Indian Tribes or Members of Federally Recognized Indian Tribes

For the FY 2013 CIG 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, Federally recognized Indian tribes, members of Federally recognized Indian tribes, or community-based organizations comprised of or representing these persons or entities.

To compete for these set-aside funds, the applicant must make a declaration in the application as described in Part II.B of this notice. Applications that are unsuccessful in the set-aside competition will automatically be placed in the general application pool for consideration. Funds not used in the set-aside pool will revert back into the general funding pool. Below are the regulatory definitions of a Beginning Farmer or Rancher and a Limited Resource Farmer or Rancher, which are found at 7 CFR 1466.3:

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).

F. Activities Limitation and Implementation

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 NRCS 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. APPLICATION AND SUBMISSION INFORMATION

All Office of Management and Budget standard forms necessary for CIG submission are posted on the following web site: Grants.gov - Forms Repository.

A. Content and Format

Applications must 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 their application. Applicants must submit only one original copy of the application in the following format:

- Each page must be on numbered 8½" x 11" white paper that has one-inch margins; and
- The text of the application must be typed single spaced in a font no smaller than 12-point.

Applications that fail to comply with the required content and format will not be considered for funding. Material exceeding stated page limits will not be considered. Applications must include all required forms and narrative sections described below. Incomplete applications will not be considered.

1. **Application Form:** (Standard Form 424 Application for Federal Assistance) Applicants must use this document as the cover sheet for each project application. Standard Form 424 can be downloaded from Grants.gov - Forms Repository.

2. **Project Executive Summary**—in one page or less, describe in non-technical language the project's objectives, methods, funding requested, participating partners, and deliverables.

3. **Project Description:** The description must include the following information and is limited to 15 pages in length. Pages in excess of the 15-page limit will be discarded and not evaluated.

   a) Project background: Describe the issue or problem, and 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.

   b) 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.

   c) Project methods: Describe clearly the methodology of the project and the tools or processes that will be used to implement the project.

   d) 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, demographics, etc.) of the project area. Provide a map, if possible.

   e) EQIP eligible producer participation: Estimate the number of EQIP eligible producers involved in the project, and describe the extent of their involvement (Note: Producers receiving direct or indirect payments through participation in a CIG project must also meet the EQIP eligibility requirements).

   f) Project action plan and timeline: Provide a table listing project actions, timeframes, and associated milestones through project completion. Anticipated project start date of **September 1, 2013**.

   g) 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.

   h) Project deliverables/products: Provide a list of specific deliverables and products that will allow NRCS to monitor project progress and payment. The proposal shall include a set of technical deliverables designed to evaluate the performance and broader applicability of the project being proposed for implementation. In addition to project-specific deliverables, selected applicants will be required to provide the following:

      1) Semi-annual reports;
      2) Supplemental narratives that explain and support payment requests;
      3) A final report;
      4) Performance items specific to the project that indicate progress
      5) A new technology and innovative approach fact sheet; and
      6) Participation in at least one NRCS sponsored event during the grant period.

i) 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.

j) 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 semi-annual progress report, quarterly financial reports, and a final project report to NRCS. Instructions for submitting quarterly reports will be detailed in the grant agreement.

4. **Assessment of Environmental and Social Impacts:** Describe and assess the potential environmental and social impacts 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 environmental resources must be disclosed. The length of the analysis should be commensurate with the complexity of the project proposed and the environmental resources impacted directly, indirectly, 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 resources protected by law, regulation, Executive Order, and agency policy. In addition to describing impacts, applicants are required to assess the significance or degree of potential environmental impact of the proposed project on environmental resources.

   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. NRCS may choose not to select projects that cannot be modified.

5. **Budget Information:** The budget portion of the application consists of the three parts described below. The budget information must include the following information and is limited to 12 pages in length.

   a) Standard Form (SF) 424A Budget Information- Non-Construction Programs: Fill in all spaces as appropriate. Section B, Item 6, column 1 should reflect the NRCS funds and Column 2 should reflect the cost share funds. If your cost share is from multiple sources you may show that in the remaining columns of Item 6. This form is the summary budget for the project.

   b) Detailed Budget Description: A specific item-by-item breakdown of the totals provided in Item 6 of the SF-424A should be provided. This detail should show what individual costs were added together to arrive at the totals presented in each of Object Class Categories on the SF-424. The format of this information, which can be in a chart, spreadsheet, table, etc., should be readable in 8 ½" by 11" printable pages. The information needs to be presented in such a way that the evaluators and NRCS can readily understand what expenses will be incurred to support the project. The breakdown of the federal share and the cost share should

be shown separately as in the SF-424A, not combined. This may be in separate documents or in different sections of the same one. Items provided to NRCS in the budget details should include, but are not limited to, the following:

6a. Personnel; A list of personnel, their salary, hourly rate, hours, % time.

6b. Fringe Benefits: % of salary, differing rates for different staff.

6c. Travel: basis for airfare, mileage rate (NTE Federal govt. rate), per diem, hotel, car rental, how many trips, how many days, number of staff.

6d. Equipment: type of equipment, cost per item, per batch, per load, quantity.

6e. Supplies: type of supplies, cost per item, per batch, per load, quantity (a general statement such as "office supplies $3,000" is not acceptable).

6f. Contractual; Cost of each subcontract – the total of all subcontracts should be shown on the SF-424, but an itemized budget should be provided for each potential subcontract. The budgets for the subcontracts should follow this same format and be submitted with your proposal.

6g. Construction: N/A.

6h. Other: Cost per item, per batch, per load, quantity.

Note: Please include $3,000 in the project budget for travel designated by NRCS. These funds are required and can be part of the federal portion, the cost share, or both. Furthermore, the purchase of equipment is <u>not allowable</u> under this CIG.

c) <u>Budget Narrative:</u> Provide a detailed narrative in support of the budget for the project, broken down by each project year. Discuss how the budget specifically supports the proposed activities. Explain how budget items are essential to achieving project objectives. Justify the project cost effectiveness and include justification for personnel and consultant salaries with a description of duties. In addition to the information above, any subcontractors and consultants must also submit a statement of work. The budget narrative should support the federal funds requested and the cost share.

6. Indirect Costs

a) Applicants wishing to claim indirect costs must have a federally approved indirect cost rate. The approved indirect cost rate must be included in the application package.

b) An indirect cost rate not to exceed 15 percent may be approved for applicants without a federally approved indirect cost rate. To be considered for an indirect cost rate not to exceed 15 percent, applicants must submit an indirect cost rate proposal with the application which includes:

1) Applicant's written policy for allocating and identifying direct and indirect costs
2) Contact person information regarding who prepared proposal
3) Breakdown of indirect salaries by position title and amount.
4) Line item expenditure description and how the costs are being allocated between direct and indirect.
5) Applicant's tax identification number.

6) Signed certification that certify all costs in proposal are allowable under OMB cost principles; costs treated as indirect have not been claimed as direct; and similar types of costs have been accounted for consistently and the Federal government will be notified of any account changed that would affect the rate. Signature should be of approving official for applicant or applicant's chief financial officer.

c) If applicant does not have a federally approved indirect cost rate, it is at the agency's (NRCS) discretion whether to allow indirect cost.

7. **Matching:** Applications must include written verification of commitments of matching support (including both cash and in-kind contributions) from non-federal third parties.

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

   In-Kind Match
   "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" contributions include work done by unpaid volunteers and donations of supplies, facilities, or equipment. In-kind contributions must be necessary to accomplish program activities and verifiable.

   For any third-party in-kind contributions, a separate pledge agreement is required for each contribution, signed by the authorized organizational representatives of the contributing organization and the applicant, which must include: (1) the name, address, and telephone number of the contributor, (2) the name of the applicant's organization, (3) the title of the project for which the contribution 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 contributor will make the contribution during the grant period.

   The sources and amounts of all matching support from non-applicants must 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 and Cost Principles for additional guidance and other requirements relating to matching and allowable costs.

8. **Declaration of Previous CIG Projects Involvement:** Identify any previously

awarded CIG projects related to this proposal and any of their principal investigators. Detail the purpose, outcomes to date, and how this new proposal relates to the previous award.

9. **Declaration of Beginning Farmer or Rancher, Limited Resource Farmer or Rancher, or Federally Recognized 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, Federally recognized Indian tribe, member of a Federally recognized Indian tribe, or a community-based organization comprised of or representing these individuals or 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 Federally recognized Indian tribes.)

10. **Declaration of EQIP Eligible Producer Eligibility and Involvement:** Applicants must include a statement indicating that the proposed project will involve EQIP eligible producers and describe and certify their level of involvement in the project. Proposals that do not involve EQIP eligible producers are ineligible for a CIG award.

11. **Certifications:** Standard Form (SF) 424B - Assurances, Non-construction Programs. All applications must include this document. The SF-424B may be found at: Grants.gov -Forms Repository or by contacting the State office. In addition, applicants, by signing and submitting an application, assure and certify that they are in compliance with the following federal regulations:
    a) 2 CFR Part 417, Government wide Debarment and Suspension (Non-procurement)
    b) 7 CFR Part 3018, New Restrictions on Lobbying
    c) 2 CFR Part 421, Government wide Requirements for Drug Free Workplace (Financial Assistance)

12. **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. CIG applicants must obtain a DUNS Number. Information on how to obtain a DUNS number can be found at: http://fedgov.dnb.com/webform or by calling 1-866-705-5711. Please note that the registration may take up to 14 business days to complete.

13. **System for Award Management (SAM) Registration:** The SAM is a database that serves as the primary government repository for contractor information required to conduct business with the Federal Government. This database is also used as a central location for maintaining organizational information for individuals or entities seeking and receiving Federal grants. CIG applicants must register with the SAM. To register, go to: https://www.sam.gov/portal/public/SAM/ Please allow a minimum of 5 days to complete the SAM registration.

14. **Appropriations Restrictions:** Awards made under this solicitation are subject to the provisions contained in the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2012 (P.L. No. 112-55), Division A, Sections 738 and 739, regarding corporate felony convictions and corporate federal tax delinquencies.

B. How to Submit an Application

Applicants may submit applications electronically through Grants.gov or to the e-mail address listed below. Alternatively, applications may be submitted via express mail, overnight courier service, or U.S. Postal Service to the addresses listed below. Applications 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. Grants.gov provides date and time stamps on applications submitted through its website. All applications, regardless of how they are submitted, must be received by NRCS before 4:00 p.m. CDT on **May 20, 2013**.

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

The address for submitting an application via hand-delivery, express mail or overnight courier service is:

USDA-NRCS
Conservation Innovation Grants Program
220 East Rosser Ave.
Room 332
Bismarck, ND 58501

The address for submitting applications via the United States Postal Service is:

USDA-NRCS
Conservation Innovation Grants Program
PO Box 1458, 220 East Rosser Ave.
Bismarck, ND 58502

Note: Applicants must submit only one signed original copy of each project application. Applications submitted by fax will not be considered. The use of Federal Government postage-paid envelopes, e-mail and/or equipment in filing applications is a violation of federal law and will disqualify you from consideration.

C. Due Date

Applications must be received by 4:00 p.m. CDT on **May 20, 2013**. The applicant assumes the risk of any delays in application delivery. Applicants are strongly encouraged to submit completed applications early via e-mail to ensure timely receipt by NRCS.

D. Acknowledgement of Submission

NRCS will acknowledge receipt of timely applications via e-mail. An applicant who does not receive such an e-mail acknowledgement within 30 days of their submission but believes he/she submitted a timely application must contact the NRCS program contact below within 30 days. Failure to do so will result in the application not being considered.

CIG Program Contact:

Todd Schwagler
State Resource Conservationist
USDA-NRCS
P.O. Box 1458, 220 East Rosser Ave.
Bismarck, ND 58502
Phone: (701) 530-2084
E-mail: todd.schwagler@nd.usda.gov

E. Withdrawal

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.

F. 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:

1. Costs above the amount of funds authorized for the project;
2. Costs incurred prior to the effective date of the grant;
3. Costs which lie outside the scope of the approved project and any amendments thereto;
4. Entertainment costs, regardless of their apparent relationship to project objectives;
5. Compensation for injuries to persons, or damage to property arising out of project activities;
6. 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;
7. Costs relative to the purchase of equipment; and,
8. 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 listed on Part IV.

G. Review

Applications will be screened for completeness and compliance with the provisions of this notice. Incomplete applications will be eliminated from competition, and notification of elimination will be mailed to the applicant. Complete applications will be evaluated by a technical peer review panel based on the Application Evaluation Criteria identified in the application instructions in section V.B.

H. Patents and Inventions

Allocation of rights to patents and inventions shall be in accordance with 7 CFR §3019.36. 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.

I. Environmental Review Requirements

The National Environmental Policy Act (NEPA) regulations at 40 CFR parts 1500-1508 and the 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. If the application is selected for funding, the NRCS Program Contact and NRCS Environmental Liaison will coordinate with the selected applicant concerning documentation for compliance with NEPA. The selected applicant will be required to prepare and pay for the preparation of the appropriate NEPA document (e.g., Environmental Assessment or Environmental Impact Statement if required for NEPA compliance). Grant funding cannot be approved until the environmental review requirements demonstrating compliance with NEPA are met.

V. APPLICATION REVIEW INFORMATION

A. Review and Selection Process

Proposals will be reviewed by NRCS technical staff. The review team will certify their recommendations and ensure that the application evaluations are consistent with program objectives. The review team will forward their recommendations to the State Conservationist.

B. Criteria for Application Evaluation

Ecological Science review panels will use the following criteria to evaluate project proposals:

1. Purpose, Approach, and Goals
   - Design and implementation of project based on sound methodology and demonstrated technology.
   - Promotes environmental enhancement and protection in conjunction with agricultural production.
   - Project outcome is clearly measurable.
   - Potential for successful completion.
   - Both beneficial and adverse impacts are considered and an acceptably significant level of improvement will be achieved.
2. Innovative Technology or Approach
   - Project is innovative (national, regionally, and/or local in nature).
   - Project conforms to description of innovative projects or activities in proposal request announcement.
3. Project Management
   - Timeline and milestones are clear and reasonable.
   - Project staff has technical expertise needed.
   - Budget is adequately explained and justified.
   - Experience and capacity to partner with and gain the support of other organizations, institutions and agencies.
4. Transferability
   - Potential for producers and landowners to use the innovative technology or

technologies.

- Potential to transfer the approach or technology nationally or to a broader audience or other geographic or socio-economic areas, including limited resource, socially disadvantaged and other historically underserved producers and communities.
- Potential for NRCS to successfully use the innovative approach or methods.
- Project will result in the development of technical or related technology transfer materials (technical standards, technical notes, guide sheets, handbooks, software, etc.).

C. Anticipated Announcement and Award Dates

NRCS anticipates announcing CIG selections by **August 1, 2013**, and awarding all grants by **September 1, 2013**. However, NRCS will not distribute any funds, and grantees cannot begin work until the parties execute an appropriate CIG agreement.

Applicants should plan their projects based on a project start date of September 1, 2013.

VI. AWARD ADMINISTRATION INFORMATION

A. Award Notification

Applicants who have been selected for funding will receive a letter of official notification from NRCS North Dakota State Office. However, all selections are contingent upon successful completion of the environmental review process and financial review. 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 CCC, through NRCS, will use a grant agreement with selected applicants to document participation in the CIG component of EQIP.

C. Reporting Requirements

Selected applicants will be required to submit a SF-425, Federal Financial Report, no later than 30 days after the end of each quarter and 90 days after completion of project. In addition, every six months the selected applicant must submit a written performance progress report to the NRCS program contact and the NRCS technical contact. This report is distinct from the quarterly financial report described above. Each progress report shall cover work performed during the previous 6-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 6-month period. **The final report is due 90 days after completion of the project.** This report is distinct from the performance progress reports described above. **The final report will summarize the project and describe methods, quality control, findings, and recommendations. Additional information, forms, and templates can be found at**
http://www.nrcs.usda.gov/wps/portal/nrcs/detailfull/national/programs/financial/cig/?cid=stelpr db1045412

To satisfy the requirements of EQIP (7 CFR 1466) compliance measures, the selected applicant is required to submit as a component of the semi-annual progress report:

- A list of producers, identified by name and social security number, of all EQIP-eligible producers or entities involved in the project.

- 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.
- 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.

D. Freedom of Information and Privacy Act

Applicants should be aware that part or all of the information submitted in their application may become a matter of public record and therefore may be subject to public disclosure through a Freedom of Information Act (FOIA) request. Applicants are advised to mark confidential information, such as proprietary information, to prevent disclosure.

VII. AGENCY CONTACTS

CIG Program Contact:
Todd Schwagler
State Resource Conservationist
P.O. Box 1458, 220 East Rosser Ave.
Bismarck, ND 58502
Phone: (701) 530-2084
E-mail: todd.schwagler@nd.usda.gov

CIG Administrative Contact:
Pamela L. Ell
Contract Specialist
P.O. Box 1458, 220 East Rosser Ave.
Bismarck, ND 58502
Phone: (701) 530-2014
E-mail: pamela.ell@nd.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 _____ day of _____ in Bismarck, N.D.

MARY E. PODOLL
North Dakota State Conservationist
Natural Resources Conservation Service

Attachments

VIII. OTHER INFORMATION

CONSERVATION INNOVATION GRANTS
FISCAL YEAR 2013 FULL APPLICATION PACKAGE CHECK LIST

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

☐ **1. Application Form:** Submit Standard Form 424 Application for Federal Assistance

☐ **2. Project Description:** (15 pages maximum, single-spaced, single-sided, 12 point font)
a) Project background
b) Project objectives
c) Project methods
d) Location and size of project area (include a map if possible)
e) EQIP eligible producer participation (Note: Producers receiving direct or indirect payments through participation in a CIG project must also meet the EQIP eligibility requirements)
f) Project action plan and timeline
g) Project management
h) Project deliverables/products
i) Benefits or results expected and transferability
j) Project evaluation

☐ **3. Assessment of Environmental and Social Impacts**

☐ **4. Budget Information:** Submit a completed Standard Form 424A (SF-424A) Budget Information-Non-Construction Programs.
a) Complete SF-424A
b) Detailed budget description
c) Budget narrative

☐ **5. Indirect Cost**

☐ **6. Matching Information**

☐ **7. Declaration of Previous CIG Projects Involvement.**

☐ **8. Declaration of Beginning Farmer or Rancher, Limited Farmer or Rancher, or Federally Recognized Indian tribe (Special Provisions):** 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 Federally recognized Indian tribe or members of a Federally recognized Indian tribe or a community-based organization comprised of or representing these entities.

☐ **9. Declaration of EQIP Eligible Producer Eligibility and Involvement.** Applicants must include a statement indicating that the proposed project will involve EQIP eligible producers and describe and certify their level of involvement in the project.

☐ **10. Certifications:** Complete Standard Form 424B (SF-424B) Assurances-Non-Construction Programs.

☐ **11. DUNS Number:** For information about how to obtain a DUNS number, go to http://fedgov.dnb.com/webform or call 1-866-705-5711. Please note that the registration may take up to 14 business days to complete.

☐ **12. System for Award Management (SAM):** To register, visit https://www.sam.gov/portal/public/SAM/. Allow a minimum of 5 days to complete the SAM registration.

☐ **13. Appropriations Restrictions:** Awards made under this solicitation are subject to the provisions contained in the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2012 (P.L. No. 112-55), Division A, Sections 738 and 739 regarding corporate felony convictions and corporate federal tax delinquencies.

The U.S. Department of Agriculture (USDA) prohibits discrimination against its customers. If you believe you experienced discrimination when obtaining services from USDA, participating in a USDA program, or participating in a program that receives financial assistance from USDA, you may file a complaint with USDA. Information about how to file a discrimination complaint is available from the Office of the Assistant Secretary for Civil Rights.

USDA prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex (including gender identity and expression), marital status, familial status, parental status, religion, sexual orientation, political beliefs, genetic information, reprisal, or because all or part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) To file a complaint of discrimination, complete, sign and mail a program discrimination complaint form, available at any USDA office location or online at www.ascr.usda.gov, or write to:

USDA
Office of the Assistant Secretary for Civil Rights
1400 Independence Avenue, S.W.
Washington, D.C. 20250-9410

Or call toll free at (866) 632-9992 (voice) to obtain additional information, the appropriate office or to request documents. Individuals who are deaf, hard of hearing or have speech disabilities may contact USDA through the Federal Relay service at (800) 877-8339 or (800) 845-6136 (in Spanish). USDA is an equal opportunity provider, employer and lender.

Persons with disabilities who require alternative means for communication of program information (e.g., Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD).