

DEPARTMENT OF AGRICULTURE

AGENCY: Natural Resources Conservation Service, Commodity Credit Corporation

ACTION: NOTICE

Conservation Innovation Grants Fiscal Year (FY) 2012 Announcement for Program Funding
Catalog of Federal Domestic Assistance (CFDA) Number: 10.912

SUMMARY: The Natural Resources Conservation Service (NRCS), an agency under the United States Department of Agriculture, is announcing availability of Conservation Innovation Grants (CIG) to stimulate the development and adoption of innovative conservation approaches and technologies. Applications are accepted from all 50 States Caribbean Area (Puerto Rico and the Virgin Islands) and the Pacific Islands (Guam, American Samoa, and the Northern Mariana Islands) for projects located entirely within Maryland. NRCS anticipates that the amount available for support of this program in FY 2012 will be approximately **\$300,000**. 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.

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: Applicants will then be required to submit a full proposal package to Maryland NRCS by 4 p.m. EST on **May 30, 2012**. Applications must be received in 339 Busch's Frontage Road, Suite 301, Annapolis MD 21409

ADDRESSES: Applications sent via hand-delivery, express mail, overnight courier service or the United States Postal Service must be sent to the following address:

Natural Resources Conservation Service
339 Busch's Frontage Road, Suite 301
Annapolis, MD 21409.

Applications sent electronically must be sent through Grants.gov.

For more information contact:

Thomas Morgart, ASTC Programs
Natural Resources Conservation Service
339 Busch's Frontage Road, Suite 301
Annapolis MD, 21409
Phone: 443-482-2927
E-mail: thomas.morgart@md.usda.gov

SUPPLEMENTARY INFORMATION

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 grant. 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.

Applications will be evaluated by NRCS staff under the bulleted topics identified by the applicant (see section I.D). 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.

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 all 50 States Caribbean Area (Puerto Rico and the Virgin Islands) and the Pacific Islands (Guam, American Samoa, and the Northern Mariana Islands) for projects located entirely within Maryland. 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 in section VI.B.4

Full proposal applications, along with their associated technical peer review, will be forwarded to the technical peer review panel. The technical peer review panel will make recommendations for project approval to the Maryland 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, field testing, evaluation, 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 should:

- Make use of a proven technology or a technology that has been studied sufficiently to indicate a high probability for success;

- Demonstrate and verify environmental (soil, water, air, plants, energy, and animal) effectiveness, utility, affordability, and usability of conservation technology in the field;
- Adapt conservation technologies, practices, systems, procedures, approaches, and incentive systems to improve performance and encourage adoption;
- Introduce conservation systems, approaches, and procedures from another geographic area or agricultural sector;
- Adapt conservation technology, management, or incentive systems to improve performance; and
- Demonstrate transferability of knowledge.

D. Maryland Component

For FY 2012, NRCS-MD will consider offering CIG in the following areas: Nutrient Management and Soil Health. Also included is continuing support for new, innovative projects and activities that further the Chesapeake Bay objectives to manage and optimize nutrient management, reduce downstream nutrient loads, maintain agricultural productivity.

Proposals that demonstrate the use of innovative technologies and/or approaches to address at least one bulleted topic listed below will be considered. Proposals must identify the most appropriate bulleted topic the innovation/technology is addressing. While NRCS is interested in receiving proposals for each bulleted topic below, special interest is placed on receiving proposals that address topics identified as a "Priority Need." Additional topics (not listed below) will be considered.

Nutrient Management

Priority Need: 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, cotton, and/or rice. 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.

- **Priority Need:** Demonstrate application of and procedures for refining the usefulness of the Phosphorus Index for reducing P loss across a range of soil, topographic, climatic, crop, or management conditions.
- **Priority Need:** Demonstrate suite(s) of conservation practices and document the conditions for their optimal use in protecting surface and ground water quality if manure was to be applied to frozen soil.
- **Priority Need:** Develop and demonstrate a process for rapid and precise Comprehensive Nutrient Management Plans (CNMP's) on Dairy operations.
 - Demonstrate new and innovative advances in precision farming technologies related to low disturbance fertilizer injection and quantify the effects on nutrient use efficiency, yield, and producer risk.
 - Demonstrate feed management, or adoption of new or novel feedstuffs or additives, and quantify their impact on manure nutrient content.
 - 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 Enhanced Efficiency Fertilizer products; including inhibitors, delayed release products, or biological solutions; on yield and nutrient use efficiency.
 - 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.
 - Compile, summarize, and develop appropriate recommendations from the peer-reviewed literature on projects demonstrating and quantifying the application of various management practices, models, and/or other tools for increasing nitrogen use efficiency by crops.

- Demonstrate effective outreach programs for delivering technical assistance to underserved populations for implementing whole farm strategies to reduce nutrient/sediment losses.
- Evaluate the use and cost effectiveness of technologies and/or programs that demonstrate removal of manure nutrients from areas of high concentrations of animal feeding operations to areas where they can be used for the production of agricultural crops, for example: demonstration of the ability to partition nutrients in dry poultry litter through screening; and demonstration of baling, wrapping and transport of poultry litter from high phosphorus concentration areas.
- Demonstrate technologies which 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 or from fields with phosphorous soils to soils with low phosphorous soils.

2. Soil Health

- **Priority Need:** 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.
- **Priority Need:** Demonstrate and quantify the rate of increase in available soil water holding capacity as a function of soil properties, management practices (e.g. tillage, amendments, crop residue inputs), and/or climate.
 - Demonstrate innovative seeding methods of cover crops and multiple species cover crop mixes to allow for earlier establishment and increased biomass production.
 - Demonstrate the effects of grazing management of cover crop mixes on soil chemical, physical and biological properties health and water quality.
 - Demonstrate and quantify differences in nutrient and available water holding capacity of a soil system resulting from long-term no-till with cover crops compared to systems using tillage or rotational tillage.

4. Wildlife

- **Priority Need:** Develop planning and decision aids to assess and maximize endangered and threatened wildlife habitat , specifically .
 - Demonstrate and quantify the impacts of grazing as a habitat management tool.
 - Demonstrate technologies to control the spatial positioning and social groupings of cattle without fences.
 - Develop strategies to integrate pollinator habitat management into the agricultural working lands matrix to promote holistic, ecosystem-based conservation plans that support the full suite of ecosystem services.

II. FUNDING AVAILABILITY

A. Maryland Component

NRCS anticipates that the amount available for support of this program in FY 2012 will be approximately **\$300,000**.

CIG will fund single and multi-year projects, not to exceed 3 years (anticipated project start date of **September 1, 2012**). Funds will be awarded through a nationwide competitive grants process. The maximum award amount for any project will not exceed **\$75,000** in FY 2012.

III. ELIGIBILITY INFORMATION

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

A. Matching Funds

Selected applicants may receive CIG grants of up to 50 percent of their total project cost. CIG recipients must 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 of the total project cost 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 Federally recognized Indian tribe or a community-based organization comprised of or representing these entities). The remainder of the match must be provided in cash.⁹

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 Federally Recognized Indian Tribes

For the FY 2012 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 Federally recognized Indian tribes or community-based organizations comprised of or representing these persons or entities. Up to three-fourths of such an applicant's required matching funds (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 Federally recognized Indian tribe 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 V.A.1.h. 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 definitions of Beginning Farmer or Rancher and Limited Resource Producer. These definitions can also be found at 7 C.F.R. 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, 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 member provide some amount of the management or labor 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: 10

- 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 manager in the semi-annual report. 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 USDA programs (EQIP, Agricultural Management Assistance, Conservation Security Program, Conservation Stewardship Program, Wildlife Habitat Incentive Program, etc.) because that would be 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. 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 (7 CFR Part 1400).

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 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

A. FULL PROPOSAL

All Office of Management and Budget standard forms necessary for CIG submission are posted on the following web site: Grants.gov - Forms Repository. An application checklist is available on the last page of this announcement.

1. 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 one original 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 and page numbered.
- 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:** (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.
- b. **Project Description:** The description must include the following information and is limited to 12 pages in length.
 1. **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.
 2. **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.
 3. **Project methods:** Describe clearly the methodology of the project and the tools or processes that will be used to implement the project.
 4. **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, if possible.
 5. **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).
 6. **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, 2012**.
 7. **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.
 8. **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:
 - a. Quarterly progress reports
 - b. Supplemental narratives to explain and support payment requests
 - c. Final report
 - d. 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")]
 - e. New technology and innovative approach fact sheet
 - f. Participation in at least one NRCS CIG Showcase or comparable NRCS event during the period of the grant
 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 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.
- c. **Additional Information:** Bibliographies and/or resumes (not to exceed two pages per person), and references.
- d. **Assessment of Environmental and Social 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 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 resources 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 NRCS-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. 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. Applicants may consult with the NRCS Environmental Liaison concerning the scope of what should be addressed in this section of the application. A list of the Environmental Liaisons can be found on the following web site: Environmental Liaison
- 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, there is potential that during the screening process the application may not be selected.*
- e. **Budget Information:** The budget portion of the application consists of three parts described below.
1. **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.
 2. **Detailed Budget Description:** 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 should be readable in 8.5 by 11 printable pages. It may be in a chart, spreadsheet, table, etc. 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 on separate documents or on different sections of the same presentation. Listed below are some suggested items that should be shown in the budget details. These are suggested details and are not inclusive:
 - a. **Personnel:** A list of personnel, their salary, hourly rate, hours, % time
 - b. **Fringe Benefits:** % of salary, differing rates for different staff
 - c. **Travel:** basis for airfare, mileage rate (NTE Federal govt. rate), per diem, hotel, car rental, how many trips, how many days, number of staff
 - d. **Equipment:** type of equipment, cost per item, per batch, per load, quantity
 - e. **Supplies:** type of supplies, cost per item, per batch, per load, quantity (a general statement such as "office supplies \$3,000" is not acceptable)

- f. 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.
 - g. Construction: N/A
 - h. Other: Cost per item, per batch, per load, quantity
Note: Please include \$3,000 in the project budget for NRCS designated travel. These funds are required and can be part of the federal portion, your cost share or both.
3. **Budget Narrative:** 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, the subcontractors and consultants must also submit a statement of work. The budget narrative should support the federal funds requested and the cost share.

f. **Indirect Costs**

If you have a current Federally Negotiated Indirect Cost Agreement you must:

- a. Submit a copy of the agreement with your application,
- b. Calculate indirect costs based on the total Federal Funds awarded and cannot exceed 15 percent,
- c. Requesting unrecovered indirect costs in the matching funds is not approved.

If you do **not** have a current Federally Negotiated Indirect Cost Agreement you may not claim indirect costs in this application.

- g. **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 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 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" 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 is required 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 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, Cost Principles that apply to their entity for additional guidance, and other requirements relating to matching and allowable costs.

- h. **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.
- i. **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, or Federally recognized 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 Federally recognized Indian tribes.)
- j. **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. 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)
- k. **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.
- l. **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 is also 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.

2. 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 in person or via express mail, overnight courier service, or U.S. Postal Service to the addresses 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 **May 30, 2012**. 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 e-mailed submissions. Applicants should begin the Grants.gov process or send their e-mail in advance of the submission deadline to avoid problems.

E-mail address: thomas.morgart@md.usda.gov

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

USDA/NRCS
Attn: CIG Program Manager
339 Busch's Frontage Road, Suite 301
Annapolis, MD 21409
Phone: (443) 482-2927
E-mail: thomas.morgart@md.usda.gov

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

3. Due Date

Applications must be received in at the Maryland NRCS State Office by 4:00 p.m. EST on **May 30, 2012**. The applicant assumes the risk of any delays in application delivery. Applicants are strongly encouraged to submit completed applications via e-mail, overnight mail, or delivery service to ensure timely receipt by NRCS.

4. 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 for the second phase of the application process.

MD CIG Program Contact:

Thomas Morgart
ASTC-Programs
339 Busch's Frontage Road, Suite 301
Annapolis, MD 21409
Phone: (443) 482-2927
E-mail: thomas.morgart@md.usda.gov

5. 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.

6. 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.

7. 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 Criteria for Application Evaluation identified in the application instructions in section V.B.

Applications with technically-based recommendations from the peer review groups will be forwarded to the Grants Review Board. The Grants Review Board will make recommendations for project approval to the State Conservationist who will make the final selections.

8. Patents and Inventions

Allocation of rights to patents and inventions shall be in accordance with USDA regulation 7 CFR §3019.36 and 7 CFR §3019.2. 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.

9. Environmental Review Requirements

The Council on Environmental Quality's 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.

VI. APPLICATION REVIEW INFORMATION

A. Review and Selection Process

There are three steps in evaluating full CIG proposals. Proposals will be reviewed among technical peer review groups and then will be reviewed by a Technical Peer Review Panel. The Technical Peer Review Panel consists of NRCS technical specialists, and technical specialists from other appropriately related Federal agencies, and non-Federal agencies. Applications will be reviewed based on the CIG Technical Evaluation Criteria listed in Part VI.B below.

The Technical Peer Review Panel will forward their recommendations to the Maryland State Conservationist for final review and selection.

B. Criteria for Application Evaluation

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

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.

Innovative Technology or Approach

- Project is innovative (national, regionally, and local in nature).
- Project conforms to description of innovative projects or activities in proposal request announcement.

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.

Transferability

- Potential for producers and landowners to use the innovative technologies or approaches.
- 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 traditionally 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

CIG selections are anticipated to be announced by **July 25, 2012**; all agreements are expected to be awarded by **September 1, 2012**. Funds are not awarded, and work may not start until an agreement is signed by both NRCS-MD and the grantee.

Applicants should plan their projects based on a project start date of **September 1, 2012**.

VII. AWARD ADMINISTRATION INFORMATION

A. Award Notification

Applicants who have been selected for funding will receive a letter of official notification from National Headquarters. 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. Environmental Review Requirements

Upon notification of selection, the applicant must contact the NRCS Environmental Liaison 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.

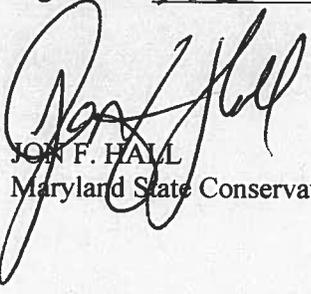
Selected applicants may be required to prepare and pay for the preparation of the appropriate NEPA document(s) if an Environmental Assessment or Environmental Impact Statement is needed. Grant funds cannot be awarded until the environmental review requirements demonstrating compliance with NEPA are met. A list of the NRCS Environmental Liaisons can be found at the following Web address: Environmental Liaison.

VIII. AGENCY CONTACTS

MD CIG Program Contact:
Thomas Morgart
ASTC-Programs
339 Busch's Frontage Road, Suite 301
Annapolis, MD 21409
Phone: (443) 482-2927
E-mail: thomas.morgart@md.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 25 day of April in Annapolis, Maryland.


JON F. HALL
Maryland State Conservationist, Natural Resources Conservation Service

IX. OTHER INFORMATION

CONSERVATION INNOVATION GRANTS

FISCAL YEAR 2012 FULL APPLICATION PACKAGE CHECK LIST

- A. Proposal Cover Sheet:** Submit Standard Form 424 Application for Federal Assistance
- B. Project Description:** (12 pages maximum, single-spaced, single-sided, 12 point font)
 - 1. Project background
 - 2. Project objectives
 - 3. Project methods
 - 4. Location and size of project area (include a map if possible)
 - 5. Producer participation
 - 6. Project action plan and timeline
 - 7. Project management
 - 8. Project deliverables/products
 - 9. Benefits or results expected and transferability
 - 10. Project evaluation
- C. Additional Information:** Bibliography, resumes, and/or references
- D. Assessment of Environmental and Social Impacts**
- E. Budget Information:** Submit a completed Standard Form 424A (SF-424A) Budget Information-Non-Construction Programs.
 - 1. Complete SF-424A
 - 2. Detailed budget description
 - 3. Budget narrative
- F. Indirect Cost**
- G. Matching Information**
- H. Declaration of Previous CIG Projects Involvement.**
- I. Declaration of Beginning Farmer or Rancher, Limited Farmer or Rancher, or Federally Recognized Indian tribe (Special Provisions):** If applicable, include a statement declaring your status as a Beginning Farmer or Rancher, Limited Resource Farmer or Rancher, or Federally recognized Indian tribe, or community-based organization representing these entities.
- J. State Conservationist Letter of Review:** Include documentation showing that the proposal was sent to the State Conservationist(s).
- K. Certifications:** Complete Standard Form 424B (SF-424B) Assurances-Non-Construction Programs.
- L. 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.
- M. Central Contractor Registry (CCR):** To register, visit