

### Alternatives Analyzed

The allocation of EQIP funds is the only major program decision made at the national level that has an impact on the quality of the human environment because of the authority and flexibility that must be given to the NRCS State Conservationists to meet the program purposes, and because funding affects where practices will be implemented. NRCS considered three alternatives describing ways to allocate EQIP funds to the States, including allocating EQIP funds based on a national allocation formula, allocating EQIP funds in equal amounts to all States, or a no action alternative. The 2002 Act authorized the expenditure of additional, separate funds for promotion of ground and surface water conservation, so a separate set of alternatives addressed allocation of those funds, including allocating Ground and Surface Water Conservation (GSWC) funds based on an annual national evaluation of critical ground and surface water conservation needs, allocating the GSWC funds in equal amounts to all States, or a no action alternative.

The EA describes potential impacts associated with the alternatives described. The alternatives did not directly result in impacts to the quality of the human environment, but they do have an indirect effect on the geographic location of acres treated by EQIP funded conservation practices. The discussion under each alternative focused on the effects that the decision alternatives would have on where conservation practices would most likely be implemented. NRCS developed network diagrams depicting the chain of natural resource effects resulting from the application of each practice. Based on the analysis, NRCS determined that the use of a national allocation formula best ensured that funds were distributed in a manner that environmental benefits are optimized, and States and Territories with the most significant environmental and natural resource concerns can effectively address national conservation priorities.

### Finding of No Significant Impact

Upon review of the analysis of potential environmental impacts associated with the selected alternatives, the Chief of NRCS found that, from a national perspective, the program would not result in a significant impact on the quality of the human environment, particularly when focusing on the significant adverse impacts that NEPA is intended to help decision-makers avoid and mitigate against. Because of the potential to

affect one type of resource while improving the condition of another resource, there may, at times, be minimal site-specific adverse environmental effects, individually or cumulatively. As in the past administration of EQIP, NRCS will continue to prepare documentation of an environmental evaluation on a site-specific level, and will consult with the appropriate entities to avoid, reduce, or mitigate adverse impacts on protected resources. NRCS will also comply with requirements protecting unique geographic features and other resources, as well as policies protecting natural resources. To the extent that other NRCS EQIP activities may result in significant effects to the quality of the human environment, a State or area-wide EA or Environmental Impact Statement may be prepared separately from the National EA. Therefore, a FONSI was issued and no environmental impact statement is required to support national implementation of the program.

Copies of the EA and FONSI may be reviewed at the following location: Conservation Operations Division, NRCS, U.S. Department of Agriculture, Room 5227-S, Washington, DC 20013-2890. The documents may also be accessed on the Internet, at <http://www.nrcs.usda.gov/programs/EnvAssess/EQIP/EQIP.html>.

Signed in Washington, DC, on May 8, 2003.

**Bruce I. Knight,**

*Chief, Natural Resources Conservation Service.*

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**BILLING CODE 3410-16-P**

## DEPARTMENT OF AGRICULTURE

### Rural Business-Cooperative Service

#### Notice of Funding Availability (NOFA) Inviting Applications for a University Value-Added Research Grant

**AGENCY:** Rural Business-Cooperative Service, USDA.

**ACTION:** Notice.

**SUMMARY:** This Notice announces the availability of \$300,000 in fiscal year (FY) 2003 to fund a grant for research at a university concerning the effects of projects for value-added agricultural commodities or products on agricultural producers and the commodity markets. Only qualified universities are eligible to apply. This Notice lists the information needed to submit an application for these funds.

**DATES:** The deadline for receipt of an application is 4 p.m. EST on July 29, 2003. Comments regarding the

information collection requirements under the Paperwork Reduction Act of 1995 must be received on or before July 21, 2003.

**ADDRESSES:** The address for hand-delivered applications or applications submitted using an express mail or overnight courier service is: Marc Warman, USDA Rural Business-Cooperative Service, 1400 Independence Ave., SW., Room 4016, Washington, DC 20250; Telephone: (202) 720-8460. Applications sent via the U.S. Postal Service must be sent to the following address: Marc Warman, USDA Rural Business-Cooperative Service, STOP 3252, 1400 Independence Ave., SW., Washington, DC 20250-3252. Applications sent via email attachment must be sent to the following address: [marc.warman@usda.gov](mailto:marc.warman@usda.gov).

**FOR FURTHER INFORMATION CONTACT:** Jim Haskell, Acting Deputy Administrator, Rural Business-Cooperative Service, USDA, Stop 3250, Room 4016, 1400 Independence Ave., SW., Washington, DC 20250-3250, telephone: (202) 720-8460, or email: [james.haskell@usda.gov](mailto:james.haskell@usda.gov).

### SUPPLEMENTARY INFORMATION:

#### Programs Affected

The research funded by this grant relates to a program listed in the Catalog of Federal Domestic Assistance Program under the assigned number 10.352 (Value-Added Grants). This program is not subject to the provisions of Executive Order 12372, which requires intergovernmental consultation with State and local officials.

#### Paperwork Reduction Act

The information collection requirements contained in this Notice have received temporary emergency clearance by the Office of Management and Budget (OMB) under Control Number 0570-0046. However, in accordance with the Paperwork Reduction Act of 1995, RBS will seek standard OMB approval of the reporting requirements contained in this Notice and hereby opens a 60-day public comment period.

*Title:* Value-Added University Research Grant.

*Type of Request:* New Collection.

*Abstract:* This program will be administered by Cooperative Services within the Rural Business-Cooperative Service. The Farm Security and Rural Investment Act of 2002 (Pub. L. 107-171, signed May 13, 2002) authorized the Secretary of the U.S. Department of Agriculture (USDA) to award a grant to support research at a university concerning the effects of projects for value-added agricultural commodities

or products on agricultural producers and the commodity markets.

This is a competitive grant program; it does not have a matching funds requirement. The Notice Inviting Applications sets forth the policies and procedures associated with the grant application and evaluation procedures and ongoing administration requirements for the grant award. The paperwork burden associated with the application process and ongoing reporting is included in this collection.

*Estimate of Burden:* Public reporting burden for this collection of information is estimated to average 17.7 hours per response.

*Estimated Number of Respondents:* 15.

*Estimated Number of Responses per Respondent:* 1.8.

*Estimated Number of Responses:* 27.

*Estimate of Total Annual Burden on Respondents:* 478.5 hours.

Copies of this information collection can be obtained from Tracy Givelekian, Regulations and Paperwork Management Branch, Support Services Division at (202) 692-0039.

#### Comments

Comments are invited on: (a) Whether the proposed collection of information is necessary for the proper performance of the functions of RBS, including whether the information will have practical utility; (b) the accuracy of RBS' estimate of the burden of the proposed collection of information including the validity of the methodology and assumptions used; (c) ways to enhance the quality, utility and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology. Comments may be sent to Tracy Givelekian, Regulations and Paperwork Management Branch, Support Services Division, U.S. Department of Agriculture, Rural Development, STOP 0742, 1400 Independence Ave., SW., Washington, DC 20250-0742. All responses to this notice will be summarized and included in the request for OMB approval. All comments will also become a matter of public record.

#### Program Administration

The program is administered by the Office of Cooperative Services within the Agency.

#### Background

Section 6402 of the Farm Security and Rural Investment Act of 2002 (Pub. L. 107-171) (2002 Farm Bill) authorized a new grant initiative to establish up to 15 agriculture innovation demonstration centers (Agriculture Innovation Centers or AICs) with the intent of fostering the ability of agricultural producers to reap the benefits of producing and marketing value-added products. Section 6402(g) also provided that the Secretary shall use \$300,000 of the funds made available for that section to support research into the effects of value-added projects on agricultural products and commodity markets. This Notice relates to the \$300,000 research grant authorized in section 6402(g).

#### Definitions

*Agency*—Rural Business-Cooperative Service (RBS), an agency of the United States Department of Agriculture (USDA), or its successor agency.

*Cooperative Services*—The office within RBS, and its successor organization, that administers programs authorized by the Cooperative Marketing Act of 1926 (7 U.S.C. 451 *et seq.*) and such other programs so identified in USDA regulations.

*Fixed equipment*—Tangible personal property used in trade or business that would ordinarily be subject to depreciation under the Internal Revenue Code, including processing equipment, but not including property for equipping and furnishing offices such as computers, office equipment, desks or file cabinets.

*Independent Producers*—Agricultural producers, to include individuals, for profit and not for profit corporations, LLCs, partnerships or LLPs, when these entities are solely owned or controlled by producers who do not produce the agricultural product under contract or joint ownership with any other organization. An independent producer can also be a steering committee composed of independent agricultural producers in the process of organizing an association to operate a value-added venture that is owned and controlled by the independent producers supplying agricultural products to the market.

*National Office*—The Agency office at USDA headquarters in Washington, DC.

*Nonprofit institution*—Any organization or institution, including an accredited institution of higher education, no part of the net earnings of which may inure to the benefit of any private shareholder or individual.

*Product segregation*—Physical separation of a product or commodity from similar products. Physical

separation requires a barrier to prevent mixing with the similar product.

*Public body*—Any state, county, city, township, incorporated town or village, borough, authority, district, economic development authority, or Indian tribe on federal or state reservations or other federally recognized Indian tribe in rural areas.

*Rural and rural area*—Includes all the territory of a state that is not within the outer boundary of any city or town having a population of 50,000 or more and the urbanized area contiguous and adjacent to such city or town, as defined by the U.S. Bureau of the Census using the latest decennial census of the United States.

*Rural Development*—A mission area within the USDA consisting of the Office of the Under Secretary, the Office of Community Development, the Rural Business-Cooperative Service, the Rural Housing Service and the Rural Utilities Service and their successors.

*State*—Includes each of the several States, the Commonwealth of Puerto Rico, the Virgin Islands of the United States, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and, as may be determined by the Secretary to be feasible, appropriate and lawful, the Freely Associated States and the Federated States of Micronesia.

*State Office*—USDA State Rural Development offices for the applicable states.

*Value-Added*—The incremental value that is realized by the producer from an agricultural commodity or product as the result of (1) a change in its physical state, (2) differentiated production or marketing, as demonstrated in a business plan, or (3) product segregation. Also, the economic benefit realized from the production of farm or ranch-based renewable energy. Incremental value may be realized by the producer as a result of either an increase in value to buyers or the expansion of the overall market for the product. Examples include milling wheat into flour, slaughtering livestock or poultry, making strawberries into jam, the marketing of organic products, an identity-preserved marketing system, and collecting and converting methane from animal waste to generate energy. Identity-preserved marketing systems include labeling that identifies how the product was produced and by whom.

#### Eligibility Requirements

1. The applicant must be an accredited university.
2. The applicant must have the capacity, including a well developed econometric model or the equivalent, to conduct the study.

3. The applicant must have a demonstrated record of conducting the type of study to be funded.

4. The applicant must demonstrate that studies proffered under item (3) above have been subjected to peer review and the peer reviews found the studies to be credible.

5. A university may participate in more than one application.

6. The description of the research proposed to be done using grant funds must conform to the eligible uses for the funds.

7. An outstanding judgment obtained against an applicant by the United States in a Federal Court (other than in the United States Tax Court), which has been recorded, shall cause the applicant to be ineligible to receive a grant award.

#### Uses of Grant Funds

Grant funds are to be used to perform a study of the effects of projects for value-added agricultural commodities or products on agricultural producers and the commodity markets. The universe of projects studied shall include, but is not necessarily limited to, value-added projects funded by USDA pursuant to section 231 of the Agricultural Risk Protection Act of 2000 (7 U.S.C. 1621 *note*).

1. The study must systematically examine, using linked, long-term, global projections of the agricultural sector, the potential effects of the value-added projects identified by the study on (a) the demand for agricultural commodities, (b) market prices, (c) farm income and (d) Federal outlays on commodity programs. The study must include an assessment of the effectiveness of the agricultural innovation centers funded pursuant to section 6402 of the 2002 Farm Bill.

2. Grant funds may be used to assess the performance of USDA value-added program grant recipients, including agricultural innovation centers as part of the study.

3. Grant funds may be used to assess the requirements imposed by USDA on agricultural innovation centers to determine which have the effect of maximizing the positive effects of the services provided by these centers on (a) the demand for agricultural commodities, (b) market prices, (c) farm income and (d) Federal outlays on commodity programs.

4. Grant funds may be used to subcontract component parts of the study with prior USDA written approval.

5. Grant funds may be used to develop data series directly related to the research effort, where such data are not otherwise available.

#### Ineligible Uses of Grant Funds

1. Developing computer applications for performing the study, other than minor modifications to a fully operational model or software application. "Minor modifications" may not, in the aggregate, exceed 5 percent of the total grant award.

2. Construction (in any form).

3. Improvement, refurbishment or renovation of the grantee's research, education or extension space.

4. Planning, repair, rehabilitation, acquisition, or construction of buildings or facilities.

5. Repair or maintenance of privately owned vehicles.

6. Purchase of real estate.

7. Paying obligations incurred before the date of grant approval or after the end of the grant period.

8. General operating costs other than the allowed indirect cost rate.

9. Any other purpose prohibited in 7 CFR parts 3015 and 3019, as applicable.

#### Program Restrictions

Grant funds are to be used only to perform the research effort. All travel using Federal funds must be directly related to the research effort as described in the applicable grant agreement. Use of Federal funds for attendance at non-related meetings must have prior written approval by USDA. Travel and per diem expenses will not exceed those paid to federal agency employees. Rates are based upon location. Rate information can be accessed on the Internet at <http://policyworks.gov/perdiem>. Recipients will be restricted to traveling coach class on common carrier airlines. Meals and incidental expenses will be reimbursed at a rate not to exceed that used by federal agency employees. Mileage and gas reimbursement will be at a rate not to exceed that used by federal agency employees.

#### Grant Award Selection Process

1. *Initial Screening.* The Agency will screen each application to determine eligibility during the period immediately following the application deadline.

2. *Rating and Ranking.* Applications will be rated and ranked by a review panel based on the "Evaluation Criteria and Weights" contained in this Notice. If there are tied scores after the applications have been rated and ranked, the tie will be resolved by reviewing the scores for "Nature of the Proposed Research" and the applicant with the highest score in that category will receive a higher ranking. If the scores for "Nature of the Proposed

Research" are the same, the scores will be compared for the next criterion, in sequential order, until one highest score can be determined.

#### Evaluation Criteria and Weights

##### 1. Nature of the Proposed Research (Maximum 35 points)

The description of the proposed research must be detailed and should include an explanation of how the applicant will systematically examine, using linked, long-term, global projections of the agricultural sector, the effects of value-added projects on the following: (a) Demand for agricultural commodities, (b) market prices, (c) farm income, and (d) Federal outlays on commodity programs. Proposals substantively addressing all four areas will score higher than proposals that do not. Any econometric model used for the examination must be explained with an emphasis on how the model has been developed, the key assumptions incorporated within the model, how the model is used, any peer review of the model, and how the applicant has used the model to date, with an evaluation of its effectiveness. Proposals demonstrating solidly developed models designed for agricultural analysis that have been peer reviewed and used for analysis similar to the proposal will receive more points than proposals discussing untried models. The description should also include what data will be used and how it was or will be gathered. Proposals demonstrating that the applicant already has access to the data will score higher than proposals indicating that the data needs to be gathered. Proposals demonstrating good quality control methods for data collection will score higher than those proposals lacking in quality control methods for data collection.

##### 2. Qualifications of the Researchers (Maximum 20 points)

The qualifications of the researchers who will be involved with the proposed research must reflect an ability to perform the study. High education levels and experience in conducting agricultural or value-added research will receive more points than economic research not related to agriculture. Publications of work in the value-added and agricultural fields will receive more points than publications not so related. For each of these research efforts and publications, points will be awarded for evidence that the research was favorably reviewed by scholastic peers as evidenced by citations to this research in peer research publications. Those

who can demonstrate favorable peer reviews of research in value-added agriculture will receive more points than positively reviewed research in other areas.

### 3. Work Plan/Budget (Maximum 20 points)

The work plan and budget will be reviewed for specificity, realistic timetables and detail. Logical, realistic, and economically efficient plans and budgets will result in higher scores.

### 4. Measuring Effectiveness of Value-Added Projects (Maximum 25 points)

Proposals that address performance measures applicable to a wide range of value-added products and for various stages of producer organizational development, will receive more points than those with a more narrow range of applicability. Also, those proposals that can effectively demonstrate that performance measures contain predictive success or failure thresholds will receive higher scores.

### Deliverables

Interim and final project deliverables, inclusive of supporting documentation, are due in the form and on the due dates as specified in the applicable grant agreement.

### Grant Amounts

USDA reserves the right to make a single grant award or multiple smaller awards. In the event an applicant is awarded a grant that is less than the amount requested, the applicant will be required to modify its application to conform to the reduced amount before execution of the grant agreement. The Agency reserves the right to reduce or de-obligate the award if acceptable modifications are not submitted by the awardee within 15 working days from the date the request for modification is made. Any modifications must be within the scope of the original application.

### Other Considerations

1. *Environmental review.* Any grant made by the Agency is subject to the requirements of 7 CFR part 1940, subpart G or its successor regulation. Some applications may be generally excluded from the environmental review process by 7 CFR 1940.333. Applicants for grant funds must consider and document within their plans the important environmental factors and the potential environmental impacts of the activity proposed in the grant application.

2. *Civil rights.* Any grant made is subject to the requirements of title VI of

the Civil Rights Act of 1964, which prohibits discrimination on the basis of race, color and national origin as outlined in 7 CFR part 1901, subpart E. In addition, any grant made under this subpart is subject to the requirements of section 504 of the Rehabilitation Act of 1973, as amended, which prohibits discrimination on the basis of disability; the requirements of the Age Discrimination Act of 1975, which prohibits discrimination on the basis of age; and titles II and III of the Americans with Disabilities Act, which prohibits discrimination on the basis of disability in places of public accommodations. This program will also be administered in accordance with 7 CFR part 15, subpart A and all other applicable Civil Rights laws.

3. *Other USDA regulations.* This grant program is subject to the provisions of the following regulations, as applicable: (a) 7 CFR part 3015, Uniform Federal Assistance Regulations, (b) 7 CFR part 3017, Governmentwide Debarment and Suspension (nonprocurement) and Governmentwide Requirements for Drug-Free Workplace (Grants), (c) 7 CFR part 3018, New Restrictions on Lobbying, and (d) 7 CFR part 3019, Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals and other Nonprofit Organizations.

4. *Audit requirements.* Any grantee must comply with the audit requirements of 7 CFR part 3052. The audit requirements apply to the years in which grant funds are received and years in which work is accomplished using grant funds.

### Grant Closing

1. *Letter of conditions.* The Agency will notify an approved applicant in writing, setting out the conditions under which the grant will be made.

2. *Applicant's intent to meet conditions.* Upon reviewing the conditions and requirements in the letter of conditions, the applicant must complete, sign and return the Agency's "Letter of Intent To Meet Conditions," or, if certain conditions cannot be met, the applicant may propose alternate conditions to the Agency. The Agency must concur with any changes proposed to the letter of conditions by the applicant before the application will be further processed.

3. *Grant agreement.* The grantee must enter into a grant agreement with USDA in form and substance similar to the form of agreement as published at the end of this NOFA prior to the advance of funds.

### Award Requirements

Any approved applicant will be required to do the following:

1. Execute a "Request for Obligation of Funds". The following statement will be entered in the comment section of the Request for Obligation of Funds, and must be signed by the grantee:

"The grantee certifies that it is in compliance with and will continue to comply with all applicable laws, regulations, Executive Orders and other generally applicable requirements, including those contained in 7 CFR parts 3015, 3017, 3018, 3019 and 3052 in effect on the date of grant approval, and the approved Letter of Conditions."

2. Use SF-270 "Request for Advance or Reimbursement" to request advances or reimbursements, as applicable, but not more frequently than once a month. (This form can be downloaded from the following Web site: <http://www.whitehouse.gov/omb/grants/sf270.pdf>);

3. Maintain a financial management system that is acceptable to the Agency;

4. Collect and maintain data on race, sex and national origin of the beneficiaries of the project.

### Reporting Requirements

Grantee must submit the following to the Agency:

1. A "Financial Status Report" listing expenditures according to agreed upon budget categories, on a semi-annual basis. Reporting periods end each March 31 and September 30. Reports are due 30 days after the reporting period ends.

2. Semi-annual performance reports that compare accomplishments to the milestones stated in the proposal. Identify all tasks completed to date and provide documentation supporting the reported results. If the original schedule provided in the work plan for interim and final project deliverables is not being met, the report should discuss the problems or delays that may affect completion of the study. Objectives for the next reporting period should be listed. Compliance with any special condition on the use of award funds should be discussed. Reporting periods end each March 31 and September 30. Reports are due 30 days after the reporting period ends.

### Grant Servicing

The grant will be serviced in accordance with 7 CFR parts 1951, 3015 and 3019. Grantee will permit periodic inspection of the program operations by a representative of the Agency. All non-confidential information resulting from the Grantee's activities shall be made available to the general public on an equal basis.

### Performance Reviews

1. USDA will provide for peer review of the deliverables in the grant agreement.

2. USDA may elect to suspend or terminate a grant in all or part if USDA determines (a) that the grantee or subcontractor has demonstrated insufficient progress in complying with the terms of the grant agreement, or (b) such other cause as USDA identifies in writing to the grantee (including but not limited to the use of federal grant funds for ineligible purposes).

### Grant Disbursement

The Agency will determine, based on 7 CFR parts 3015 and 3019, as applicable, whether disbursement of a grant will be by advance or reimbursement.

### Contents of Application Package

A complete application for a value-added research grant must include the following:

1. A summary page listing the following items. This information should be double-spaced between items and not in narrative form.

- (a) Name of applicant.
- (b) Address of applicant.
- (c) Telephone number of applicant.
- (d) Contact person name, telephone number and email address.
- (e) Fax number of applicant.
- (f) Name of eligible university (if different from applicant).
- (g) County where eligible university is located.
- (h) Congressional district number where applicant is located.
- (i) Amount of grant request.

2. A detailed Table of Contents containing page numbers for each component of the application.

3. A summary of the research to be performed, no longer than five pages, which must include the following items.

- (a) The universe of value-added activities to be studied.
- (b) The nature and quality of the data to be used in the study.

(c) The method by which the value added producer grant and agricultural innovation center programs funded by USDA will be evaluated and incorporated into the overall study.

(d) The proposed form of output of the results of the study.

4. Organizational documents confirming the accreditation of the eligible university.

5. Eligibility. The application must include a detailed discussion of how the applicant meets each of the eligibility requirements.

6. Evaluation Criteria. Address each of the evaluation criteria specifically and

individually by category in narrative form.

(a) *Nature of the Proposed Research.* Describe the proposed research in detail. The description should include an explanation of how the applicant will systematically examine, using linked, long-term, global projections of the agricultural sector, the potential effects of value-added projects on the following: (i) Demand for agricultural commodities, (ii) market prices, (iii) farm income, and (iv) Federal outlays on commodity programs. Any econometric model used for the examination must be explained with an emphasis on how the model has been developed, its intended use, any peer review of the model, and how the applicant has used the model to date, with an evaluation of its effectiveness. The description should also include what data will be used and how it was or will be gathered, including measures to be taken to ensure quality control in data collection.

(b) *Qualifications of the Researchers.* Describe the qualifications of the researchers who will be involved with the proposed research. Discuss education levels and experience levels of the researchers with an emphasis on any prior experience conducting agricultural or value-added research. Also describe any research efforts and publications completed by the researchers.

(c) *Work Plan/Budget.* The budget must present a detailed line item breakdown of estimated costs associated with the proposed research and allocate these costs to each of the tasks to be undertaken. The work plan must present the order the tasks will be undertaken and the estimated time for completing each task. Categories such as salaries, administrative, other and indirect costs must be clearly identified for each task and each task must be clearly defined and described in detail. Include supporting documentation for each category.

(d) *Measuring Effectiveness of Value-Added Projects.* Describe appropriate performance measures that the applicant believes should be used to evaluate the success of value-added activities in agriculture. Suggested measures should evaluate both outputs and outcomes of producer value-added activities and be easily and objectively measured.

7. Proposed criteria to be used for performance evaluation. The Agency seeks applicant input for performance criteria to be utilized in developing the grant agreement. The performance criteria suggested by the applicant are not binding on the Agency.

8. Identify and report any association or relationship with Rural Development employees.

9. *Required forms.* The following forms must be completed, signed and submitted as part of the application package.

(a) SF-424, "Application for Federal Assistance." Do not submit Form SF-424A, "Budget Information." A separate line item budget should be presented as described in item 6(c) of this section listing the contents of the application package. All costs must be categorized as either eligible or ineligible.

(b) SF-424B, "Assurances—Non-Construction Programs."

(c) Form AD-1047, "Certification Regarding Debarment, Suspension and other Responsibility Matters—Primary Covered Transactions."

(d) Form AD-1049, "Certification Regarding Drug-Free Workplace Requirements."

(e) Form RD 400-1, "Equal Opportunity Agreement."

(f) Form RD 400-4, "Assurance Agreement."

(g) SF-LLL, "Disclosure of Lobbying Activities," if applicable; otherwise, a Certification of Non-Lobbying Activities in a form satisfactory to the Agency.

The required application forms and certifications can be downloaded from the following Web site: [http://www.rurdev.usda.gov/rhs/rcdi/rcdi\\_forms.htm](http://www.rurdev.usda.gov/rhs/rcdi/rcdi_forms.htm).

### Form of Submission

Applicants and grant awardee are encouraged, but not required, to submit applications and reports in electronic form. A complete, original application may be electronically sent as an e-mail attachment to [marc.warman@usda.gov](mailto:marc.warman@usda.gov). If applications are submitted electronically, a signature page must be submitted via facsimile to the attention of Marc Warman at (202) 720-4641 or in hard copy to Marc Warman at the address provided at the beginning of this Notice. Alternatively, an original application package plus two paper copies may be submitted to the addresses provided at the beginning of this Notice.

Dated: May 10, 2003.

**Thomas C. Dorr,**

*Under Secretary, Rural Development.*

### University Value-Added Research Grant Agreement

*This grant agreement (Agreement) dated 111, is a contract for receipt of grant funds pursuant to section 6402(g) of the Farm Security and Rural Investment Act of 2002 (2002 Farm Bill) (7 U.S.C. 1621 note). These requirements do not supercede the applicable requirements for receipt of Federal funds*

stated in 7 CFR parts 3015, "Uniform Federal Assistance Regulations" or 3019, "Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and other Nonprofit Organizations."

Between 1111111111(Grantee) and the United States of America acting through the Rural Business-Cooperative Service (RBS), Department of Agriculture, (Grantor).

*Witnesseth:*

All references herein to "Value-Added Research" refer to the proposal submitted by Grantee and approved by Grantor for evaluating the effects of projects for value-added agricultural commodities or products on agricultural producers and the commodity markets which is attached as Exhibit A. The principal amount of the grant is \$300,000 (Grant Funds).

*Whereas*

Grantee has proposed to conduct the research described in the proposal as approved by Grantor;

Grantee is an accredited university for purposes of granting undergraduate and graduate degrees;

The Grantee is able to finance or directly fund any amounts as may be necessary to supplement Grant Funds in order to ensure that sufficient funds are available for the Value-Added Research;

Grantee has provided a total budget and funding schedule, acceptable to the Grantor, for how the Grant Funds and other funds (if applicable) are to be spent which is attached as Exhibit B;

The Grantor has agreed to give the Grantee the Grant Funds, subject to the terms and conditions established by the Grantor. Provided, however, that any Grant Funds actually advanced and not needed for grant purposes shall be returned immediately to the Grantor. The Grantor may terminate the grant in whole, or in part, at any time, whenever it is determined that the Grantee has failed to comply with the conditions of this Agreement, including satisfactory performance reviews, or the applicable regulation(s) and applicable Notice of Funding Availability (NOFA).

As a condition of this Agreement, the Grantee assures and certifies that it is in compliance with and will comply in the course of the Agreement with all applicable laws, regulations, Executive Orders and other generally applicable requirements, including those contained in 7 CFR 3015.205(b) and the NOFA, or referenced therein, and that are hereby incorporated into this agreement by reference and such other statutory provisions as are specifically contained herein.

Now, therefore, in consideration of said grant, Grantee agrees to:

A. Cause said Value-Added Research to be conducted, within one year of the date of this Agreement, within the total sums, including Grant Funds, available to the Grantee.

B. Provide periodic reports to the Grantor and respond promptly and completely to requests for status updates on the Value-Added Research by a representative of the Grantor. The reports to be provided in form and substance satisfactory to the Grantor are as follows:

1. A "Financial Status Report" listing expenditures according to agreed upon

budget categories, on a semi-annual basis. Reporting periods end each March 31 and September 30. Financial Status Reports are due 30 days after the reporting period ends.

2. A "Performance" report that compares accomplishments to the objectives stated in the proposal. This report will identify all tasks completed to date and include documentation supporting the reported results. If the original schedule agreed to by the Grantor is not being met, this report will discuss the problems or delays, explain why the original objectives were not met and establish the objectives for the next reporting period. Reporting periods end each March 31 and September 30. Performance reports are due 30 days after the reporting period ends.

These reports are to be submitted in an electronic form acceptable to the Grantor at the following address:  
*marc.warman@usda.gov.*

At the option of the Grantee, reports may be submitted in hard copy (one copy) to the following address:

Marc Warman, Program Leader, USDA Rural Business-Cooperative Service, Stop 3252, Room 4016, 1400 Independence Ave., SW., Washington, DC 20250-3252. Telephone (for courier deliveries): (202) 690-1431.

Grantor may change the name and address for report submissions upon written notice to Grantee.

C. Provide the following deliverables on the dates specified:

1. Preliminary impact study of value-added activities other than the value added producer grant and agricultural innovation center programs funded by USDA no later than 6 months from date of Agreement. This deliverable should discuss what the experience of other value-added efforts suggests can be incorporated in USDA's implementation of the value added producer grant and agricultural innovation center in order to maximize the benefits of these value-added programs to agricultural producers and commodity markets.

(a) This deliverable should report what have been the most challenging or unexpected aspects of developing value-added businesses with respect to agricultural products and commodities.

(b) This deliverable should also report what other value-added project participants would, if they had the opportunity, have done differently.

2. First year evaluation reports for the value added producer grant and agricultural innovation center programs funded by USDA no later than 1 year from date of the last grant award for the applicable program obligated in fiscal year 2003. A separate evaluation report for each program will be prepared.

The evaluation report on the value-added producer grant should include a brief assessment of each project, a conclusion as to whether the project was successful, a quantitative assessment of the benefit realized by the grant recipient as a result of the project to date and a quantitative assessment of the benefit that may reasonably be expected to accrue to the grant recipient as a result of the project.

The evaluation report on the agricultural innovation center program should include an

assessment of the number of agricultural producers that received services, a breakdown of services provided (expressed by hours per type of service), areas of needed improvement and a quantitative assessment of benefits directly realized as a result of services provided by each center.

Each report generated for this deliverable should:

(a) Report what have been the most challenging or unexpected aspects of developing value-added businesses with respect to agricultural products and commodities.

(b) Report what the value-added project participants would, if they had the opportunity, have done differently.

(c) An assessment of what information and reports are appropriate for ongoing program performance monitoring by USDA of grant recipients under each value-added grant program.

(d) An assessment of the extent USDA's implementation of each USDA Value-Added program maximizes the positive effects of each program on (i) the demand for agricultural products, (ii) market prices, (iii) farm income and (iv) Federal outlays on commodity programs and where improvement is needed.

3. Final report on the impacts of value-added activities, including activities being conducted by state and private entities, on (a) the demand for agricultural products, (b) market prices, (c) farm income and (d) Federal outlays on commodity programs no later than 30 days after the end of the grant period.

D. Use Grant Funds and other funds provided by Grantee only for the purposes and activities specified in the Proposal. Any uses not provided for in the approved budget must be approved in writing by RBS in advance of obligation by the Grantor.

E. Deliver the results of a study or activity to the Grantor upon completion of each task outlined in the Proposal.

F. Not use Grant Funds to replace any financial support previously provided or assured from any other source. The Grantee agrees, if applicable, that the Grantee's level of expenditure for the Value-Added Research shall be maintained and not reduced as a result of Grant Funds.

G. Conduct the Value-Added Research without discrimination as to race, color, religion, sex, national origin, age, sexual orientation, marital status, or physical disability.

H. To execute any agreements required by Grantor which Grantee is legally authorized to execute.

I. Upon any default under its representations or agreements contained in this instrument, Grantee, at the option and demand of Grantor, will immediately repay to Grantor the Grant Funds with any legally permitted interest from the date of the default. Default by the Grantee will constitute termination of the grant thereby causing cancellation of Federal assistance under the grant. The provisions of this Agreement may be enforced by Grantor, at its option and without regard to prior waivers of previous defaults by Grantee, by judicial proceedings to require specific performance of the terms

of this Agreement or by such other proceedings in law or equity, in either Federal or State courts, as may be deemed necessary by Grantor to assure compliance with the provisions of this Agreement and the laws and regulations under which this grant is made.

J. Provide a Financial Management System for the Value-Added Research that includes:

1. Accurate, current and complete disclosure of the financial results of each grant. Financial reporting will be on an accrual or cash basis.

2. Records that identify adequately the source and application of funds for grant-supported activities. Those records shall contain information pertaining to grant awards and authorizations, obligations, unobligated balances, assets, liabilities, outlays and income.

3. Effective control over and accountability for all funds, property and other assets. Grantees shall adequately safeguard all such assets and shall ensure that they are used solely for authorized purposes.

4. Accounting records supported by source documentation.

K. Retain financial records, supporting documents, statistical records and all other records pertinent to the grant for a period of at least three years after grant closing except that the records shall be retained beyond the three-year period if audit findings have not been resolved. Microfilm or photo copies or similar methods may be substituted in lieu of original records. The Grantor and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access to any books, documents, papers and records of the Grantee's that are pertinent to the specific grant program for the purpose of making audits, examinations, excerpts and transcripts.

L. Provide either an audit report, annual financial statements or other documentation prepared in accordance with Grantor regulations to allow the Grantor to determine that funds have been used in compliance with the approved Proposal, any applicable laws and regulations and this Agreement.

M. Agree to account for and to return to Grantor interest earned on grant funds pending their disbursement for program purposes.

N. Not provide services that are duplicative of other program purposes, for which monies have been received, are committed, or are applied to from other sources (public or private).

O. Will meet the following performance goals for the Value-Added Research by the dates specified:

[To be determined by Grantor after consideration of the performance measures suggested by the Grantee in the Proposal. This may be combined with the deliverable schedule in item C.]

Grantor agrees that it:

A. Will make available to Grantee for the purpose of this Agreement funds not to exceed \$300,000 that the Grantor will advance on a reimbursement basis in accordance with 7 CFR 3019.22. The funds will be reimbursed based on Grantee's submission of Form SF-270.

B. At its sole discretion and at any time may give any consent, deferment,

subordination, release, satisfaction, or termination of any or all of Grantee's grant obligations, with or without valuable consideration, upon such terms and conditions as Grantor may determine to be (1) advisable to further the purpose of the grant or to protect Grantor's financial interest therein and (2) consistent with both the statutory purposes of the grant and the limitations of the statutory authority under which it is made.

Termination of this Agreement:

This Agreement may be terminated for cause in the event of default on the part of the Grantee or for convenience of the Grantor and Grantee prior to the date of completion of grant purpose. Termination for convenience will occur when both the Grantee and Grantor agree that the continuation of the Value-Added Research will not produce beneficial results commensurate with the further expenditure of funds.

*In witness whereof*, Grantee has this day authorized and caused this Agreement to be executed

By: 11111111111111111111

Name of person

Title

And attested with its corporate seal affixed (if applicable)

By: 11111111111111111111

Name of Entity

Attest: 11111111111111111111

United States of America Rural Business-Cooperative Service.

By: 11111111111111111111

Name of person

Title

[FR Doc. 03-12531 Filed 5-19-03; 8:45 am]

**BILLING CODE 3410-XY-P**

## COMMISSION ON CIVIL RIGHTS

### Agenda and Notice of Public Meeting of the Arizona Advisory Committee

Notice is hereby given, pursuant to the provisions of the rules and regulations of the U.S. Commission on Civil Rights, that a conference call of the Arizona Advisory Committee to the Commission will convene at 10 a.m. and adjourn at 11:30 a.m. (PDT) on Thursday, May 22, 2003. The purpose of the meeting is to plan future projects.

This conference call is available to the public through the following call-in number: 1-800-923-4216, access code: 16639343. Any interested member of the public may call this number and listen to the meeting. Callers can expect to incur charges for calls not initiated using the supplied call-in number or made over wireless lines, and the Commission will not refund any incurred charges. Callers will incur no charge for calls using the call-in number over land-line connections. Persons with hearing impairments may also follow the proceedings by first calling

the Federal Relay Service at 1-800-977-8339 and providing the Service with the conference call number and access code.

To ensure that the Commission secures an appropriate number of lines for the public, persons are asked to register by contacting Philip Montez, Director of the Western Regional Office, 213-894-3437 (TDD 213-894-3435), by 4 p.m. on Wednesday, May 21, 2003.

The meeting will be conducted pursuant to the provisions of the rules and regulations of the Commission.

Dated at Washington, DC, April 24, 2003.

**Ivy L. Davis,**

*Chief, Regional Programs Coordination Unit.*  
[FR Doc. 03-12646 Filed 5-15-03; 3:14 pm]

**BILLING CODE 6335-01-M**

## COMMISSION ON CIVIL RIGHTS

### Agenda and Notice of Public Meeting on the Hawaii Advisory Committee

Notice is hereby given, pursuant to the provisions of the rules and regulations of the U.S. Commission on Civil Rights that a conference call of the Hawaii Advisory Committee to the Commission will convene at 1 p.m. and adjourn at 2:30 p.m. on May 22, 2003. The purpose of this conference call is to identify pressing civil rights problems. In addition, committee members will hear presentations from civil rights experts and state officials on various civil rights topics affecting the state.

This conference call is available to the public through the following call-in number: 1-800-473-7796, access code: 16752963. Any interested member of the public may call this number and listen to the meeting. Callers can expect to incur charges for calls for initiated using the supplied call-in number or made over wireless lines, and the Commission will not refund any incurred charges. Callers will incur no charge for calls using the call-in number over land-line connections. Persons with hearing impairments may also follow the proceedings by first calling the Federal Relay Service at 1-800-977-8339 and providing the Service with the conference call number and access code.

To ensure that the Commission secures an appropriate number of lines for the public, persons are asked to register by contacting Philip Montez, Director of the Western Regional Office, 213-894-3437 (TDD 213-894-3435).

The meeting will be conducted pursuant to the provisions of the rules and regulations of the Commission.