Extension Risk Management Education Competitive Grants Program

2016 Request for Applications

Application Deadline for Proposals: November 16, 2015

Northeast Extension Risk Management Education Center

REQUEST FOR APPLICATIONS

FUNDING OPPORTUNITY TITLE: EXTENSION RISK MANAGEMENT EDUCATION COMPETITIVE GRANTS PROGRAM

ANNOUNCEMENT TYPE: Request for Applications (RFA)

Dates: Applications must be submitted to Extension Risk Management's Results Verification System (RVS) website by close of business on November 16, 2015. Applications received after this deadline will not be considered for funding.

Summary: The four regional Extension Risk Management Education (ERME) Centers request applications for the Extension Risk Management Education Competitive Grants Program. This announcement seeks applications from eligible organizations with a demonstrated capacity to develop and deliver results/outcome-based risk management education and training programs to agricultural producers and their families.

Funding/Awards: The four regional Extension Risk Management Education Centers anticipate awarding a total of approximately 60 new grants from this announcement, subject to the availability of funds and the quality of applications received. No award may exceed $50,000 and/or 18 months duration.

Contents of this Announcement:

I. Funding Opportunity Description
II. Award Information
III. Eligibility Information
IV. Proposal and Submission Information

V. Application Review Information
VI. Award Administration Information
VII. Program Contacts
VIII. Appendix A

I. Funding Opportunity Description

A. Legislative Authority and Background

Section 133 of the Agricultural Risk Protection Act (ARPA) of 2000, Pub. L.106-224 authorizes the Secretary of USDA, acting through the National Institute of Food and Agriculture (the successor agency to CSREES – the Cooperative State Research, Education, and Extension Service), herein referred to as NIFA, to carry out the program Partnerships for Risk Management Education. Under this authority NIFA partners with four regional Extension Risk Management Education (ERME) Centers to carry out a national competitive grants program in Risk Management Education to educate agricultural producers about the full range of risk management activities. Community-based organizations, higher education institutions and eligible tribal entities can play a critical role with training that provides decision tools, practices and other risk management strategies that producers can adopt to improve their economic viability.

1. Section 12026 of The 2008 Farm Bill, in Section 12026, places a special emphasis on risk management strategies, education, and outreach specifically targeted at:
    a. Beginning farmers or ranchers;
    b. Legal immigrant farmers or ranchers that are attempting to become established producers in the United States;
    c. Socially disadvantaged farmers or ranchers;
    d. Farmers or ranchers that
        i. are preparing to retire; and
        ii. are using transition strategies to help new farmers or ranchers get started; and
    e. New or established farmers or ranchers that are converting production and marketing systems to pursue new markets.

2. The Agricultural Act of 2014 amends the program further by adding “farm financial benchmarking” to the list of risk management activities highlighted in the authorizing language.

3. **Stakeholder Input**
   The four regional ERME Centers welcome comments, suggestions and/or recommendations regarding this RFA from any interested party. These comments will be considered in the development of the next RFA for the Extension Risk Management Education Competitive Grants Program. Written

stakeholder comments should be submitted to the ERME Center in their region.

4. **Making Application to More Than One Region**
   Multi-regional projects are permitted, but an applicant seeking funding from more than one region must submit a separate application to each regional ERME Center for which their project is relevant. Letters of commitment must demonstrate a strong level of commitment and collaboration for the successful execution of a multi-regional project. Each ERME Center Review Panel will make the funding decision for the proposal submitted to their region independently of the other regions to which the proposal was submitted. Please read the Proposal Resources (http://www.ExtensionRME.org/verification/media.htm) for guidance on applications being submitted to more than one region.

B. Purpose and Priorities

The ERME program provides funding for results and outcome-based risk management education projects designed to help producers learn and use tools and approaches that can reduce the adverse effects of the uncertainties of weather, yields, prices, credit, government policies, global markets and other factors, including human resources and legal issues – all of which may result in wide swings in farm income or threaten the economic viability of the farm or ranch. Proposals must clearly identify what the risk management results and outcomes will be for producers and how they will improve their economic viability.

Risk Management Education Objectives

Risk management involves taking a deliberate and knowledgeable approach to dealing with one or more of the five primary sources of risk:

Production Risk – Any production-related activity or event with a range of possible outcomes which could limit ag producers' ability to achieve their financial goals is a production risk.
Marketing Risk – Marketing is the part of a farm business that transforms production activities into financial success. Marketing risk is any market related activity or event that leads to the variability of prices ag producers receive for their products or pay for production inputs.
Financial Risk – Financial risk encompasses those risks that threaten the financial health of the business, including: 1) Capital cost and availability; 2) Ability to meet on-time cash flow needs; 3) Ability to maintain and grow equity; and 4) Ability to absorb short-term financial shocks.
Legal Risk – Legal risk involves commitments that have legal implications, such as production activities that fail to take appropriate safety precautions, marketing products which can involve contract laws and human issues dealing with employer/employee rules.
Human Risk – Human risk management is the ability to keep all people who are involved in the business safe, satisfied and productive such as: 1) Human health and well-

being; 2) Family and business relationships; 3) Employee management; and 4) Transition planning.

Key objectives are to help producers understand the risks inherent in their operation, the methods and tools available to mitigate these risks, how to effectively use these methods and tools, and how to manage risk by implementing these methods and tools. Proposals must articulate the primary source(s) of risk faced by their target audience and develop training activities that will help those producers take specific actions that generate measurable results from managing these risks.

Proposals must achieve the objectives of the program by addressing one or more of the following risk management areas and topics:

1. Production Risk
    a. Agri-tourism
    b. Economic risks of new technologies
    c. Insurance products
    d. Product and enterprise diversification
    e. Transition to new production systems
    f. Water use decisions
2. Marketing Risk
    a. Analysis of market fundamentals
    b. Cash and futures pricing tools including commodities and inputs
    c. Marketing plans and strategies
    d. Branded, certified or identity preserved marketing
    e. Direct marketing
    f. Contract Production
3. Financial Risk
    a. Alternative energy investments
    b. Asset management including leasing and renting
    c. Business and strategic planning
    d. Cost of production and farm financial benchmarking
    e. Economics of input decisions
    f. Financial records and analysis
    g. Value-added enterprises
4. Legal Risk
    a. Federal and state farm programs
    b. Contracts and leases
    c. Environmental regulations
    d. Food safety liability
    e. Labor regulations
    f. Personal and business liability
5. Human Risk
    a. Employee management and communication
    b. Health, stress, and well being
    c. Interpersonal, family and business relationships

d. Labor supply, recruitment, and retention
e. Transition and estate planning

C. Regional ERME Center Priorities

It has been determined by the Advisory Council of the **Northeast Extension Risk Management Education Center** that in 2016 all five risk areas (production, marketing, financial, legal, and human) will be given consideration for funding.

The Advisory Council encourages proposals geared toward factors that negatively impact farm profitability. Education programs that build business knowledge and resiliency to mitigate the effects of family emergencies, natural disasters, regulations, economic conditions, and other unpredictable events are priority topics. Specific topic areas might include the following:

1) Sustainability Within Farm Families – topics might include developing shared family goals, interpersonal communication among family members, conflict resolution, quality of life, and disability provisions for family members.

2) Leadership Training for Developing Farm Managers – topics might include assisting retiring farmers in sharing production and management practices with next generation farmers, understanding and executing successful record-keeping practices to maintain farm crop production histories, and asset protection through liability and crop insurance, wills and trusts and legal protections.

3) Lease and Land Tenure Agreements – access to farmland is an important aspect of farm management, which impacts the profitability of all farms. This priority topic might include projects directed toward small/beginning farmers and mid-size operators who wish to keep their land in agriculture.

4) Recordkeeping – crop insurance and production records are just some of the data that farmers need to maintain for regulation compliance, farm bill programs, loan requests, and good business management. Projects in this priority area might include topics addressing all areas of risk, such as, but not limited to: interpreting financial reports; understanding the data available through precision ag technology and software; and crop insurance reporting.

The Advisory Council has indicated that they believe the portfolio of educational projects in the Northeast Region can be enhanced by funding more proposals in the range of $20,000 to $30,000. This does not mean that larger or smaller grants will not be funded – only that the preference is to fund more projects with available resources, rather than fewer larger ones.

Please note that ERME funding is designated for the <u>delivery of risk management education</u> to agricultural producers.

Northeast Region – Risk Management Project Types

Applications will be accepted in the following two categories:

1. **2016 Education Projects:** This category includes proposed projects which address the risk management education needs of agricultural producers and their families. As previously indicated, grant awards will generally range from $5,000 - $50,000.

2. **2016 Exploratory/Local Level Grants ($2,000 maximum):** This category is for projects proposed by *first time applicants*. The projects must be designed to deliver risk management education programming at the local level to a well-defined audience. Applications must be made by a project director with educational responsibilities in the county or local area where the program is to be delivered. The applicant must not have received previous funding from the Extension Risk Management Education Competitive Grants Program; however, former applicants who were not funded are welcome to apply. Only five (5) of these awards will be available in 2016. The Exploratory/Local Level grant category will **utilize an abbreviated application**. If approved, the applicant will be contacted and provided instructions for separately submitting a brief budget and budget narrative for the project. In this category salary, wages, and fringe benefits will not be allowable expenses. Funds awarded to successful applicants will be available beginning April 1, 2016, for programming to be delivered any time during the following 18 months (4/01/16 – 9/30/17). A Final Report will be required for these grants, but interim Progress Reports will not be required. Invoicing will be handled directly through the Northeast Center office, and instructions will be provided.

D. Proposed Results and Verification

The terms "result" and "outcome" refer to what producers will accomplish related to program objectives. Proposed risk management results are what you anticipate producers will understand, analyze, develop, decide, or implement as a result of participating in your project.

Projects funded under this announcement will be required to verify and document the results/outcomes of participating producers, including but not limited to: increase in economic viability; increase in profitability of farm and ranch operations; and/or the adoption of tools and strategies that measurably reduces any agricultural risk associated with production, marketing, financial, legal and human risk.

Project teams must develop and use measurable outcome verification to track the progress that participating producers make toward achieving the anticipated risk management results.

II. Award Information

A. Statutory Authority

The statutory authority for this action is Section 133 of the Agricultural Risk Protection Act (ARPA) of 2000, Pub. L.106-224 that authorizes award funding for projects designed to address the risk management education needs of producers.

B. Expected Amount of Funding

The maximum amount of requested funding shall not exceed $50,000.

C. Expected Number of Awards

Each regional ERME Center anticipates awarding approximately 15-20 new grants from this announcement, subject to the availability of funds and the quality of applications received.

D. Project Period

The estimated project period for awards will be 18 months beginning on **April 1, 2016** and completed no later than **September 30, 2017.**

E. Award Type

The funding for selected projects will be in the form of a sub-award agreement. Each regional ERME Center will determine the precise terms and conditions defining contractual obligations that are a part of the award process and will include, but may not be limited to the following:

1. Approval of your final budget and narrative that is part of the proposal submission.
2. Compliance with Uniform Guidance (UG).
3. Monitoring your (organization's) performance through quarterly and final reports.
4. Reviewing federal funds spent on requests for reimbursement (invoices).

F. Project Director Training

All Project Directors (PD) receiving their first ERME grant award will be required to attend a Project Directors' Training Meeting to be held in conjunction with the National ERME Risk Management Conference. Attendance at this training should be considered when developing the project budget. If training attendance is not possible, the PD must participate in an ERME provided webinar to fulfill their contractual obligations of the award/grant. All Project Directors are encouraged to attend the National ERME Risk Management Conference as time and funding permit.

III. Eligibility Information

A. Eligible Entities

1. Any public or private organization that has demonstrated experience in providing agricultural education or other agriculturally related training to producers including forestland owners. This includes, but is not limited to:
   - An 1862, 1890, or a 1994 land grant institutions, or other institutions of higher education, including community colleges, that deliver agricultural education.
   - An Indian tribal community college, an Alaska Native cooperative college, an Indian tribe, or a national tribal organization

- A Hispanic-serving institution of higher education, Agricultural organizations, agencies, or other entities.

2. Individuals are NOT eligible applicants.

B. Qualifying Criteria for Applications

These are requirements that will result in the elimination of the proposal from consideration for funding if not met. *Applicants disqualified on these grounds will be electronically notified.*

1. Proposals must comply with the proposal submission instructions and requirements set forth in this announcement.
2. Any and all applications that arrive later than 5:00:59 will be disqualified from competition.
3. Proposals must be submitted via the Extension Risk Management online application system through the applicant's regional ERME Center website, except in extenuating circumstances as determined and documented by that Center.
4. Proposals must request $50,000 or less.

C. Cost-Sharing or Matching

ERME does not allow matching support for this program.

IV. Proposal and Submission Information

A. Form of Proposal Submission

Applicants are required to submit proposals through the Extension Risk Management online Results Verification System (RVS) application system. First time applicants will be required to register in the RVS through their respective regional ERME Center's website. If an applicant experiences technical difficulty with the RVS, they may contact their regional ERME Center to obtain an alternate method of electronic submission (i.e., email).

All proposal applicants will be notified, by e-mail, with confirmation of receipt of the proposal by ERME RVS.

B. Content of Proposal Package Submission

Applicants must complete the sections described below. Applicants are advised to review components/requirements of the online application system prior to constructing their application.

1. **Project Overview –** Describe: (i) the risk management education subject topic(s) the proposed project will cover; (ii) the methods used to deliver the project; (iii) the target audience, including the geographical location; (iv) the number of workshops or educational activities; (v) the risk management results producers are expected to achieve through participation in the project; and (vi) the estimated number of producers who will achieve these results. It

is critical that there is a logical connection between the Project Overview and the Proposed Results section of your application.

2. **Producer Demand –** Demonstrate the willingness of producers to participate in your project. The applicant must provide specific indicators that demonstrate participants will be attracted to the program, including but not limited to: benchmark information on participants' knowledge level and attitude that support the proposed risk management education; follow-up evaluations from prior workshops that document interest in topics for future workshops; and farmer or rancher contributions to the proposed program content that demonstrate their interest in the risk management topics being offered. Secondary census data from USDA does not demonstrate producer demand, but may be of value in supporting the demand statement.

3. **Proposed Results –** (i) Identify each risk management result/outcome that you want producers to understand, analyze, develop, decide, or implement; (ii) identify, for each result, the risk area, risk management topic, participant action, and the number of producers you anticipate will achieve that action/result; and (iii) identify verification/performance measures for tracking producer achievement of each of the proposed risk management results.

4. **Project Steps –** Describe a <u>logical progression</u> of the project's plan of work that will lead your target audience to achieve the proposed results. Map out the timeline for each task/project step to be accomplished during the proposed award period. Each project step needs to identify actions the **project team** will take to help participants accomplish the proposed risk management results and where applicable, actions that participants will take toward achieving these results.

5. **Project Results Narrative –** Describe the risk management issue(s) this project addresses and how it will help producers improve their economic viability. It is critical this section: (i) identifies the primary source(s) of risk for the target audience; (ii) demonstrates the education and/or training methods are appropriate; and (iii) discusses the potential and/or anticipated economic impact of this project upon the producers being trained.

6. **Audience Emphasis –** Identify the farmer and rancher audiences the project will <u>intentionally</u> target. Check up to 3 primary audience groups to whom the project will be delivered.

7. **Review of Past Projects –** Identify and review <u>two</u> ERME past projects to show how the proposed project can build upon or collaborate with previously funded projects, or alternatively, how the project is unique and innovative. Reviewing a previously funded project(s) from applicant organization will not satisfy the requirements for this section. You can review all previously funded Extension Risk Management Education

projects at the following website:
http://extensionrme.org/Projects/CompletedProjects.aspx?e=0&i=0

8. **Organizational Capacity –** Describe your organization's history and experience delivering risk management education programs to producers. Describe your organizational capacity to lead results/outcome-based projects; include the skills, knowledge and experience of your team members. Indicate the capability of the Project Director (Co-Project Director) to achieve the program purpose and priorities stated in this funding announcement, including evidence of solid working relationships within the agricultural community. Applicants demonstrating experience in providing agriculture training with the capacity to lead a program on risk management education for the target audience are preferred.

9. **Project Team –** List the Project Director, (Co-Project Director) and project team members (team members are people who will actively participate in the development, delivery and management of the project, whether from your organization or not). List: (i) each person's name; (ii) organization; (iii) email address; (iv) telephone number; and (v) their role and responsibility in the project.

10. **Project Collaborators –** Collaborators are outside people or organizations who will bring expertise or provide access to your target audience, but who are not involved in the day-to-day management of the project. List: (i) each collaborator name; (ii) organization; (iii) email address; (iv) telephone number; and (v) their role and responsibility in the project.

11. **Tools and Curriculum –** Describe the educational tools and/or curriculum your project will develop or utilize to train producers; include software, manuals, worksheets, notebooks and/or other educational resources and tools. Describe the delivery methodology and why it is appropriate for your audience.

12. **Budget** – Enter the total amount of funds requested. A separate, detailed, budget form will be uploaded to the application as a required document. The budget form is available for download in the online application system and detailed instructions for each line item are available in Appendix A to this RFA (Budget and Budget Narrative Instructions).

    a. **Indirect Costs** – Indirect costs allowed for projects submitted under this RFA may not exceed the lesser of the institution's official federally negotiated indirect cost rate or 30% of the total Federal funds awarded. If your organization does not have a federally negotiated indirect cost rate, an F&A rate of 10% Modified Total Direct Cost (MTDC) will be allowed.

b. **Proposed or Pending Applications –** Identify the source and amount of funding, if any, received for this project; and/or funding pending from other sources.

13. **Budget Narrative –** Enter your Budget Narrative information directly into the online application system. Identify and describe costs associated with each budget line item amount; include sub-awards or sub-contracts, consultants, and indirect costs. Detailed instructions are available in: (i) Appendix A to this RFA (Budget and Budget Narrative Instructions); (ii) the online application Instructions; and (iii) Proposal Resources (http://www.ExtensionRME.org/verification/media.htm).

14. **Required Documents –** All submitted applications must contain a completed and signed ERME Cover Sheet, an ERME Budget Form, as well as letters of commitment, as described below.
    a. ERME Cover Sheet (SF 424) - Is a fillable PDF template that must be completed and signed by applicant organization's authorized representative or fiscal agent. Applicants must upload as a PDF document to the online application system.
    b. ERME Budget Form - Is a fillable PDF template that must be completed and uploaded as a PDF to the online application system.
    c. Letters of Commitment from Co-Project Director (if applicable), each listed team member, and each listed collaborator must clearly state their contributing role, expertise, and/or knowledge that will support the delivery of proposed results. A Project Director may write one letter of commitment for team members that are employees or staff members of applicant organization, with each team member's contributing role, expertise, and/or knowledge clearly stated in the letter. Letters must be signed and dated and addressed to the Regional Center's Director, but delivered to applicant for inclusion with the application. Applicants must upload the letters as PDF documents to the online application system. **Form letters are not allowed.**

C. Sub-awards and Consultants

Funding may be used to provide sub-awards not to exceed 49 percent of the requested budget. All sub-awardees must comply with applicable requirements for sub-awards. Detailed instructions for sub-awards and consultants are available in Appendix A to this RFA (Budget and Budget Narrative Instructions) and in the online application Instructions.

D. Submission Dates and Times

Proposals must be submitted to the applicant's regional ERME Center via the online Results Verification System no later than 5:00 pm (EST) on **November 16, 2015**. All proposal applicants will be notified with confirmation of receipt of the proposal.

E. Confidential Information

In accordance with 7CFR 2500.017, the names of entities submitting proposals, as well as proposal contents and evaluations, except those involved in the review process, will be kept confidential to the extent permissible by law. If an applicant chooses to include confidential or proprietary information in the proposal, it will be treated in confidence to the extent permitted by law, provided that the information is clearly marked by the applicant with the term "confidential and proprietary information."

F. Pre-Submission Proposal Assistance

1. Links to assist in the proposal process and to access proposal resources will be provided on each regional ERME Center's website.
2. Each regional ERME Center will respond to questions from individual applicants regarding eligibility criteria, administrative issues related to the submission of the proposal, and requests for clarification about the announcement. Such questions should be submitted to the appropriate regional ERME Center. **Regional ERME Centers may not assist individual applicants by reviewing draft proposals.**

V. Application Review Information

A. Evaluation Criteria

Proposals that meet the threshold criteria in Section III of this announcement will be reviewed according to the evaluation criteria set forth below.

Proposals are evaluated on their strengths and weaknesses relative to the merits of all other proposals. Final funding decisions will be made based on the final rankings and recommendation of each regional ERME Center's review panel. Applicants will be notified of funding decisions no later than February 19, 2016.

B. Evaluation Criteria for Proposals

Criteria	Weight
1. **Proposed Results:** The extent to which the Proposed Risk Management Results include clear statements of what you anticipate producers will understand, analyze, develop, decide, or implement through participation in the project, how realistic and attainable estimated producer numbers are, the relative level of rigor associated with the progression of producer actions, from understanding to implementation, and the degree to	40

which results address regional priorities.	
2. **Producer Demand:** Applicants will be evaluated based on their ability to demonstrate demand by producers for the proposed risk management education, taking into account: (i) documentation that indicates their willingness to participate in the training/education being proposed; (ii) specific indicators that demonstrate their interest in the program such as producer surveys or follow-up evaluations from prior workshops.	20
3. **Team/Organizational Capacity and Collaborators:** ERME will attribute equal value to: (i) evaluating the skills, knowledge and experience of the project team and organization to effectively deliver risk management education projects; and (ii) evaluating how well-engaged collaborating public or private organizations will increase the likelihood of farmer/rancher participation and strengthen the project.	15
4. **Results Verification:** ERME will evaluate the effectiveness of the applicant's plan for evaluating and tracking producer achievement of the proposed risk management results.	10
5. **Innovative Approach and Review of Past Projects:** ERME will evaluate: (i) the extent to which the project employs innovative approaches to develop or deliver training, materials, or tools; and (ii) how well your proposed project builds upon or collaborates with at least two previously ERME funded projects, or alternatively, how it is a totally unique and innovative project.	10
6. **Wide Application:** ERME will evaluate the extent to which the proposed project might have wide application; including adapting materials to specialized audiences, marketing and promotion techniques, eliciting high interest in basic risk management principles with new methodologies, or other ideas that would enable the project to have wide application.	5

C. Selection of Reviewers

Reviewers are selected based upon training and experience in relevant agricultural fields. Reviewers are drawn from a diverse group of experts to create balance in terms of gender, ethnicity, age and professional expertise.

VI. Award Administration Information

A. Award Notices

Following evaluation of proposals, all applicants will be notified regarding their status.

1. **Proposal Notifications and Feedback:** ERME anticipates notification of successful and unsuccessful applicants via email or postal mail by **February 19, 2016**. This notification will be sent only to the Project Director. Applicant feedback will be provided using the procedures established in the Operations Guide for the regional ERME Centers.

    a. **Successful Applicants:** ERME will advise the applicant that their proposed project has been successfully evaluated and recommended for funding. This notification is not an authorization to begin work. The sub-award agreement is the authorizing document and will be provided to each awardee organization electronically or via postal mail. All sub-award agreements will be finalized by **April 1, 2016**; however, situations may arise over which the regional ERME Center has no control, and which could delay this date.

B. Administrative and National Policy Requirements

A listing and description of general federal regulation and cost principles applicable to sub-award agreements under this RFA are available in Appendix A to the RFA (Budget and Budget Narrative Instructions).

C. DUNS Number and SAM Registration

In accordance with the Federal Funding Accountability and Transparency Act (FFATA) and the USDA implementation, all applicants must obtain and provide an identifying number from Dun and Bradstreet's Data Universal Numbering System (DUNS). Applicants can receive a DUNS number, at no cost, by calling the toll-free DUNS Number request line at 1-866-705-5711, or visiting the D&B website at www.dnb.com.

In addition, FFATA requires applicants to register with the System for Award Management (SAM), formerly known as the Central Contractor Registry (CCR). This registration must be maintained and updated annually. Applicants can register or update their profile, at no cost, by visiting the SAM website at www.sam.gov.

D. Reporting Requirements

The following reporting requirements will apply to awards provided under this RFA. ERME reserves the right to revise the schedule and format of reporting requirements as necessary in the sub-award agreement.

Award recipients must submit their reports online via the Results Verification System website – the same system where the Proposal was submitted. The Proposed Results and Project Steps sections of the Proposal are auto-populated in the online reporting system. A complete set of reporting instructions is provided in the online reporting system.

1. **Quarterly Progress Reports**: Quarterly Progress reports are due on the dates specified by their respective regional ERME centers, to be determined, but consistent across Centers. Additional progress reports may be submitted or report information entered at any time throughout the project period.
2. **Invoices** (Financial Reports): Invoices must be submitted quarterly, but may be submitted monthly.
3. **Final Report**: The Final Report is due within the time frame directed by each regional ERME Center and must demonstrate that producers achieved the risk management results identified in the Proposal. After the Final Report has been approved by the regional ERME Center, it becomes a public document available for viewing through the national ERME website: http://www.ExtensionRME.org.
4. **Final Invoice**: A Final Invoice must be submitted to the regional ERME Center within the time frame directed by the Center. Final payment may be withheld until all reporting requirements are met.

VII. Program Contacts

Southern Extension Risk Management Education Center
University of Arkansas Division of Agriculture
H.L. Goodwin, Co-Director
Ron Rainey, Co-Director
2301 South University Ave
Little Rock, AR 72204

Contact: Sandy Martini at 479-575-6995 or smartini@uaex.edu

Northeast Extension Risk Management Education Center
University of Delaware
Laurie Wolinski, Director
112 Townsend Hall
Newark, DE 19716-2130

Contact: Susan Olson at 302-831-6540 or sbolson@udel.edu

North Central Extension Risk Management Education Center
University of Nebraska-Lincoln
Brad Lubben, Director
Dave Goeller, Associate Director
303 Filley Hall
Lincoln, NE 68583

Contact: Christine Lockert at 402-472-2039 or clockert2@unl.edu

Western Extension Risk Management Education Center
Washington State University Extension
Shannon Neibergs, Director
Jo Ann Warner, Associate Director
222 N. Havana
Spokane, WA 99202

Contact: Jo Ann Warner at 509-477-2168 or warnerj@wsu.edu
Heather Schriver at 541-891-9190 or hschriver@wsu.edu

Appendix A

Extension Risk Management Education Competitive Grants Program

BUDGET AND BUDGET NARRATIVE INSTRUCTIONS

The Extension Risk Management Education Centers review proposed project costs to make certain those costs are reasonable to the project and allowable per the following federal statutes and regulations that apply to project grants awarded under this program. The statutes include but are not limited to:

- **2 CFR, Part 200 –** Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

Copies of the applicable Code of Federal Regulations and USDA Federal Assistance Regulations may be found at the following web-site: http://nifa.usda.gov/federal-regulations

To assist in this review, as well as to expedite the award process, proposals are required to have both a budget and budget narrative detailing the various line items. The categories listed below are examples of some of the more common items found in project budgets. All items should be described in the narrative in sufficient detail to enable the Centers to determine that the costs are reasonable and allowable for the project per the regulations.

BUDGET SECTIONS A & B:

Salaries – Show the number of work months that will be charged to the project for which salary is paid by USDA [e.g., two project directors on a 12 month project – one will spend 100% of time (12 months) and one will spend 50% of time (6 Months); total work months would be 18 months]. List the funded months in either Academic and Summer or Calendar months depending on the academic appointment of the person. Non-academic institutions would report salary months under the Calendar category.

Profit and Non-Profit organizations salary rates of pay should not exceed an Executive Level IV salary range ($158,700 a year or $76.30/hour effective January 2015). This rate does not include any fringe benefits, G&A, overhead, or other expenses. Rates exceeding this amount must be documented and justified as to why the person or persons command a higher salary rate. Information on future Executive Level IV salary rates may be found at the Office of Personnel Management website: http://opm.gov. Click on "Policy", and "Salaries and Wages".

Please note that only persons employed by the recipient organization should be listed in this category. Those employed elsewhere would be listed as subcontractors or consultants in the "Other Direct Costs" (ODC) category.

Secretarial and Clerical Salaries – The salaries of administrative and clerical staff should normally be treated as indirect (F&A) costs. Direct charging of these costs may be appropriate only if all of the following conditions are met: 1) Administrative or clerical services are integral to a project or activity; 2) Individuals involved can be specifically identified with the project or

activity; 3) Such costs are explicitly included in the budget or have the prior written approval of the Federal awarding agency; and 4) The costs are not also recovered as indirect costs.

Fringe Benefits – Show the total of allowable fringe benefits.

BUDGET SECTION C:

Equipment – The purchase of equipment is not allowed under the program. Equipment is defined as an article of equipment equal to or in excess of $5,000 and having a useful life of more than one year. See Budget Section F.6. for possible alternatives.

BUDGET SECTION D:

Travel – Domestic travel (includes Canada, Mexico and U.S. Possessions). Provide information used in estimating the cost such as: the destination if known, purpose, number of travelers, and estimated cost per trip (e.g., St. Louis, Missouri to attend a conference, 2 persons - $1,000 ea.). This includes all travel paid directly by the grantee organization.

Use the GSA Domestic Per Diem Rate Schedule if you are unsure of the maximum rates allowable for specific locations. Travel and subsistence should be in accordance with organizational policy. Regardless of the organizational policy, allowances for airfare will not normally exceed round trip jet economy air accommodations.

BUDGET SECTION E:

Participant/Trainee Support Costs – Applicant should leave this section blank. If you are conducting a train-the-trainer project and/or your project has a train-the-trainer component, please consult with your regional Center to determine how these costs should be listed.

BUDGET SECTION F:

Other Direct Costs (ODC) are those anticipated direct project charges not included in other budget categories. A description and cost must be included in the budget narrative for each item. Items in ODC should be listed with the corresponding dollar amounts, along with an explanation of the costs provided in the Budget Narrative. Examples of items are:

1. Materials and Supplies – List materials and supplies with estimated costs. This could include items such as office supplies, software, educational or field supplies. For items that are not typical materials & supplies, a detailed narrative of how the item fits the program must be included.

2. Publication Costs – This line is associated with costs related to the publishing of articles in a scientific or technical journal or other type of field/program related publication and is not allowed under this program. Printing of program materials should be included under "Materials and Supplies". Photocopying costs should be included under the "Other" category.

3. **Consultants** – A consultant is someone who renders expert advice in his/her field. The consultant should not be affiliated with the performing organization. Include the name of the consultant and his/her organization, a statement of work, and a breakdown of the amount being charged to the project (e.g., number of days of service, rate of pay, travel, per diem, etc.). See Sections A&B, Salaries for allowable rates of pay. For each consultant, an abbreviated resume or vita no more than 2 pages in length should be included as part of your online submission (upload under Required Documents). A letter of collaboration or intent signed by the consultant or the Authorizing Representative of the consultant organization should also be submitted as a Required Document.

4. **Computer (ADP) Services** – Computer services are not allowed under the program. This represents the charges associated with the organization's shared computer system (i.e., line charges or computer processing usage costs). Charges for Internet access may be included in this category. Equipment purchases should be listed under "Materials and Supplies" as appropriate.

5. Sub-awards/Consortium/Contractual Costs – Sub-awards are allowed, however, the awardee must utilize at least 50 percent of the total funds awarded. When a portion of the work proposed will be performed by outside sources, as part of your online submission a statement of work (proposal), budget and budget narrative from the proposed subcontractor must be submitted (uploaded). The proposal should include a letter of collaboration or intent signed by the subcontractor's Authorizing Representative. The level of detail required for the subcontract budget is the same as the applicant organization. See Sections A&B, Salaries for allowable rates of pay. Please note that any limitation or prohibition of indirect costs on the Program also applies to the subawards.

6. Equipment/Facility Rentals/User Fees –

a**. Equipment Rental** – When there is a need to rent equipment for use on the project, provide information regarding the type of equipment to be rented, the purpose or use on the project, the length of time needed, and the rental rate.

b. **Facility** – When it is necessary to rent office or other facility spaces for project implementation, and the space(s) are located off-site from the organization's main facility in space not owned by the recipient organization, the cost of the rent may be charged against the award if the space is used specifically for the project. The budget narrative should provide details on the normal monthly rental charge and how the rent is pro-rated to the project.

7. Alterations/Renovations – Alterations/Renovations are not allowed under the program.

8. Other – For other costs not specifically listed above. Identify and provide details of the costs involved. Some of the more common items included in this category are:

a. **Communications** – Mailings, postage, express mail, faxes, and telephone long distance charges. Specific dollar amounts are not required.

b. **Photocopying** – In-house photocopying of materials associated with the program. Photocopying should not be confused with Publications/Page Charges which are costs related to publishing in a journal or commercial printing of brochures and other materials. Specific dollar amounts may not be required.

c. **Service or Maintenance Contracts** – Costs should be in direct correlation to the use of the equipment for the project (i.e., if a particular machine is used 50% of the time for the project, the project should only be charged 50% of the service/maintenance costs). Provide details of the type of equipment and the amount of the service contract to be paid from Federal funds.

d**. Conferences/Meetings** – Costs of holding a conference or meeting are included in this category. Some examples are the rental of facilities and equipment for the meeting, honorariums or fees for trainers or guest speakers, and travel and per diem for participants and speakers. Details of costs for each conference or meeting should be broken out and provided in the budget narrative.

Meals may not be charged as project costs when individuals decide to go to breakfast, lunch, or dinner together when no need exists for continuity of a meeting. Such activity is considered to be an entertainment cost. In contrast, it is NIFA policy that a formal group meeting being conducted in a business atmosphere may charge meals to the project if such activity maintains the continuity of the meeting and to do otherwise will impose arduous conditions on the meeting participants. Breakfast meals are generally not allowable because no continuity of the meeting exists.

e. **Speaker/Trainer Fees –** Information on speakers should include the fee and a description of the services they are providing.

f. **Honorariums** – Honorariums to persons providing a service are allowable. Provide information regarding the honorarium amount (rate of pay) and a brief statement regarding what the person is doing to earn the honorarium.

BUDGET SECTION H:

Indirect Costs – Indirect costs on awards supported by USDA/NIFA under this program may not exceed the lesser of the institution's official federally negotiated indirect cost rate or 30% of the total Federal funds awarded. If your organization does not have a federally negotiated indirect cost rate, an F&A rate of 10% Modified Total Direct Cost (MTDC) will be allowed.

Other Items of Note:

Cost Sharing/Matching – This program does not allow cost share or matching funds.

UNALLOWABLE COSTS

The following is a list of selected items of costs which are usually unallowable. This list is not all inclusive. For more information on whether costs are allowable, please refer to Section J., General Provisions for Selected Items of Cost, in the Office of Management and Budget Circular A-21: http://www.whitehouse.gov/omb/circulars/a021/a21_2004.html.

- Alcoholic beverages
- Entertainment costs
- Promotional give away items such as tote bags, coffee mugs, t-shirts, etc.
- Incentives such as gift certificates, cash, etc. given to entice participation in meetings, surveys, and other events.
- Rent for grantee owned facilities
- Award ceremonies
- Receptions
- Proposal writing costs
- Meals:
    - Business meals may not be charged as project costs when individuals decide to go to breakfast, lunch, or dinner together when no need exists for continuity of a meeting. Such activity is considered to be an entertainment cost. In contrast, it is USDA/NIFA's policy that a formal group meeting being conducted in a business atmosphere may charge meals to the project if such activity maintains the continuity of the meeting and to do otherwise will impose arduous conditions on the meeting participants.
    - Note: Meals consumed while in official travel status do not fall in this category. They are considered to be per diem expenses and should be reimbursed in accordance with the organization's established travel policies. If you have questions concerning meals please contact your appropriate regional Center.