

DEPARTMENT OF AGRICULTURE**Rural Business-Cooperative Service****Announcement of Value-Added
Producer Grant Application Deadlines**

AGENCY: Rural Business-Cooperative Service, USDA.

ACTION: Notice of solicitation of applications.

SUMMARY: The Rural Business-Cooperative Service (RBS) announces the availability of approximately \$19.3 million in competitive grant funds for fiscal year (FY) 2007 to help independent agricultural producers enter into value-added activities.

Awards may be made for planning activities or for working capital expenses, but not for both. The maximum grant amount for a planning grant is \$100,000 and the maximum grant amount for a working capital grant is \$300,000.

DATES: Applications for grants must be submitted on paper or electronically according to the following deadlines:

Paper copies must be postmarked and mailed, shipped, or sent overnight no later than May 16, 2007, to be eligible for FY 2007 grant funding. Late applications are not eligible for FY 2007 grant funding.

Electronic copies must be received by May 16, 2007 to be eligible for FY 2007 grant funding. Late applications are not eligible for FY 2007 grant funding.

ADDRESSES: An application guide and other materials may be obtained at <http://www.rurdev.usda.gov/rbs/coops/vadg.htm> or by contacting the applicant's USDA Rural Development State Office. The State Office can be reached by calling (202) 720-4323 and pressing "1".

Paper applications must be submitted to: Cooperative Programs, Attn: VAPG Program, Mail Stop 3250, Room 4016-South, 1400 Independence Ave., SW., Washington, DC 20250-3250. The phone number that should be used for courier delivery is (202) 720-7558.

Electronic applications must be submitted through the Grants.gov Web site at: <http://www.grants.gov>, following the instructions found on this Web site.

FOR FURTHER INFORMATION CONTACT: Applicants should visit the program Web site at <http://www.rurdev.usda.gov/rbs/coops/vadg.htm>, which contains application guidance, including Frequently Asked Questions and an Application Guide. Or applicants may contact their USDA Rural Development State Office. The State Office can be reached by calling (202) 720-4323 and

pressing "1", or by selecting the State Contacts link at the above Web site.

Applicants are encouraged to contact their State Offices well in advance of the deadline to discuss their projects and ask any questions about the application process. Also, applicants may submit drafts of their applications to their State Offices for a preliminary review anytime prior to May 7, 2007. The preliminary review will only assess the eligibility of the application and its completeness and the results of the preliminary review are not binding on the Agency.

SUPPLEMENTARY INFORMATION:**Overview**

Federal Agency: USDA Rural Development Cooperative Programs.

Funding Opportunity Title: Value-Added Producer Grants.

Announcement Type: Initial announcement.

Catalog of Federal Domestic Assistance Number: 10.352.

Dates: Application Deadline:

Applications for grants must be submitted on paper or electronically according to the following deadlines:

Paper copies must be postmarked and mailed, shipped, or sent overnight no later than May 16, 2007 to be eligible for FY 2007 grant funding. Late applications are not eligible for FY 2007 grant funding.

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I. Funding Opportunity Description

This solicitation is issued pursuant to section 231 of the Agriculture Risk Protection Act of 2000 (Pub. L. 106-224) as amended by section 6401 of the Farm Security and Rural Investment Act of 2002 (Pub. L. 107-171 (see 7 U.S.C. 1621 note)) authorizing the establishment of the Value-Added Agricultural Product Market Development grants, also known as Value-Added Producer Grants. The Secretary of Agriculture has delegated the program's administration to USDA Rural Development Cooperative Programs.

The primary objective of this grant program is to help Independent Producers of Agricultural Commodities, Agriculture Producer Groups, Farmer and Rancher Cooperatives, and Majority-Controlled Producer-Based Business Ventures develop strategies to create marketing opportunities and to help develop Business Plans for viable marketing opportunities regarding production of biobased products from agricultural commodities. Cooperative Programs will competitively award

funds for Planning Grants and Working Capital Grants. In order to provide program benefits to as many eligible applicants as possible, applicants must apply only for a Planning Grant or for a Working Capital Grant, but not both. Applicants other than Independent Producers must limit their Projects to Emerging Markets. Grants will only be awarded if Projects are determined to be economically viable and sustainable. No more than 10 percent of program funds can go to applicants that are Majority-Controlled Producer-Based Business Ventures.

Definitions

The definitions at 7 CFR 4284.3 and 4284.904 are incorporated by reference. In addition, the Agency uses the following terms in this NOSA: Agricultural Commodity, Bioenergy Project, Biomass, Business Plan, Conflict of Farm or Ranch, Feasibility Study, Project, Renewable Energy, and Venture. It is the Agency's position that those terms are defined as follows.

Agricultural Commodity—An unprocessed product of farms, ranches, nurseries, and forests. Agricultural Commodities include: Livestock, poultry, and fish; fruits and vegetables; grains, such as wheat, barley, oats, rye, triticale, rice, corn, and sorghum; legumes, such as field beans and peas; animal feed and forage crops; seed crops; fiber crops, such as cotton; oil crops, such as safflower, sunflower, corn, and cottonseed; trees grown for lumber and wood products; nursery stock grown commercially; Christmas trees; ornamentals and cut flowers; and turf grown commercially for sod. Agricultural Commodities do not include horses or animals raised as pets, such as cats, dogs, and ferrets.

Bioenergy Project—A Renewable Energy system that produces fuel, thermal energy, or electric power from a Biomass source.

Biomass—Any organic material that is available on a renewable or recurring basis, including agricultural crops; trees grown for energy production; wood waste and wood residues; plants, including aquatic plants and grasses; fibers; animal waste and other waste materials; and fats, oils, and greases, including recycled fats, oils, and greases. It does not include paper that is commonly recycled or un-segregated solid waste.

Business Plan—A plan for Venture implementation that includes key management personnel, business location, the financial package, product flow, and possible customers. It also includes at least three years of pro forma financial statements. The plan is usually

developed by the business with assistance from third parties.

Conflict of Interest—A situation in which a person or entity has competing professional or personal interests that make it difficult for the person or business to act impartially. An example of a Conflict of Interest is a grant recipient or an employee of a recipient that conducts or significantly participates in conducting a Feasibility Study for the recipient.

Farm or Ranch—Any place from which \$1,000 or more of agricultural products (crops and livestock) were raised and sold or normally would have been raised and sold during the previous year.

Feasibility Study—An independent, third party analysis that shows how the Venture would operate under a set of assumptions—the technology used (the facilities, equipment, production process, etc.), the qualifications of the management team, and the financial aspects (capital needs, volume, cost of goods, wages, etc.). The analysis should answer the following questions about the Venture.

- (1) Where is it now?
- (2) Where does the group want to go?
- (3) Why does the group want to go forward with the Venture?
- (4) How will the group accomplish the Venture?
- (5) What resources are needed?
- (6) Who will provide assistance?
- (7) When will the Venture be completed?
- (8) How much will the Venture cost?
- (9) What are the risks?

Project—Includes all proposed activities to be funded by the VAPG and Matching Funds.

Renewable Energy—Energy derived from a wind, solar, biomass, or geothermal source; or hydrogen derived from biomass or water using wind, solar, biomass, or geothermal energy sources.

Venture—Includes the Project and any other activities related to the production, processing, and marketing of the Value-Added product that is the subject of the VAPG grant request.

II. Award Information

Type of Award: Grant.

Fiscal Year Funds: FY 2007.

Approximate Total Funding: \$19.475 million.

Approximate Number of Awards: 130.

Approximate Average Award: \$150,000.

Floor of Award Range: None.

Ceiling of Award Range: \$100,000 for Planning Grants and \$300,000 for Working Capital Grants.

Anticipated Award Date: September 1, 2007.

Budget Period Length: 12 months.

Project Period Length: 12 months.

III. Eligibility Information

A. Eligible Applicants

Applicants must be an Independent Producer, Agriculture Producer Group, Farmer or Rancher Cooperative, or Majority-Controlled Producer-Based Business Venture as defined in 7 CFR part 4284, subpart A. If the applicant is an unincorporated group (steering committee), it must form a legal entity before the grant funds can be obligated. Please note that a steering committee may only apply as an Independent Producer. Therefore, the steering committee must be composed of 100 percent Independent Producers and the business to be formed must meet the definition of Independent Producer. Also, entities that contract out the production of an Agricultural Commodity are not considered Independent Producers. In addition, note that Farmer or Rancher Cooperatives that are 100 percent owned by farmers and ranchers are not considered under the Independent Producer category; these applicants must apply as Farmer or Rancher Cooperatives. It is the Agency's position that if a cooperative is 100 percent owned and controlled by agricultural harvesters (*e.g.* fishermen, loggers), it is eligible only as an Independent Producer and not as a Farmer- or Rancher-Cooperative. If a cooperative is not 100 percent owned and controlled by farmers and ranchers or 100 percent owned and controlled by agricultural harvesters, it may still be eligible to apply as a Majority-Controlled Producer-Based Business Venture, provided it meets the definition in 7 CFR part 4284, subpart A.

B. Cost Sharing or Matching

Matching Funds are required. Applicants must verify in their applications that Matching Funds are available for the time period of the grant. Matching Funds must be at least equal to the amount of grant funds requested. Unless provided by other authorizing legislation, other Federal grant funds cannot be used as Matching Funds. Matching Funds must be spent at a rate equal to or greater than the rate at which grant funds are expended. Matching Funds must be provided by either the applicant or by a third party in the form of cash or in-kind contributions. Matching Funds must be spent on eligible expenses and must be from eligible sources.

C. Other Eligibility Requirements

Product Eligibility: The project proposed must involve a Value-Added product as defined in 7 CFR part 4284, subpart A. The definition of Value-Added includes four categories. They are 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.

The fourth category is the economic benefit realized from the production of Farm- or Ranch-based Renewable Energy.

Purpose Eligibility: The application must specify whether grant funds are requested for planning activities or for working capital. Applicants may not request funds for both types of activities in one application. Applications requesting more than the maximum grant amount will be considered ineligible. Please note that working capital expenses are not considered eligible for Planning Grants and planning expenses are not considered eligible for Working Capital Grants.

It is the Agency's position that applicants other than Independent Producers applying for a Working Capital Grant must demonstrate that the venture has not been in operation more than two years at the time of application in order to show that they are entering an Emerging Market.

Grant Period Eligibility: Applications that have a timeframe of more than 365 days will be considered ineligible. Applications that request funds for a time period beginning prior to October 1, 2007 and/or ending after November 30, 2008, will be considered ineligible.

Multiple Grant Eligibility: An applicant can only submit one application per funding cycle.

Applicants who have already received a Planning Grant for the proposed Project cannot receive another Planning Grant for the same Project. Applicants who have already received a Working Capital Grant for a Project cannot receive any additional grants for that Project.

Current Grant Eligibility: If an applicant currently has a VAPG, that grant period must be scheduled to expire by December 31, 2007.

Judgment Eligibility: In accordance with 7 CFR part 4284.6.

IV. Application and Submission Information

A. Address To Request Application Package

The application package for applying on paper for this funding opportunity can be obtained at <http://www.rurdev.usda.gov/rbs/coops/vadg.htm>. Alternatively, applicants may contact their USDA Rural Development State Office. The State Office can be reached by calling (202) 720-4323 and pressing "1". For electronic applications, applicants must visit <http://www.grants.gov> and follow the instructions.

B. Content and Form of Submission

Applications must be submitted on paper or electronically. An Application Guide may be viewed at <http://www.rurdev.usda.gov/rbs/coops/vadg.htm>. It is recommended that applicants use the template provided on the Web site. The template can be filled out electronically and printed out for submission with the required forms for a paper submission or it can be filled out electronically and submitted as an attachment through Grants.gov.

If an application is submitted on paper, one signed original of the complete application must be submitted.

If the application is submitted electronically, the applicant must follow the instructions given at <http://www.grants.gov>. Applicants are advised to visit the site well in advance of the application deadline if they plan to apply electronically to insure that they have obtained the proper authentication and have sufficient computer resources to complete the application.

Applicants must complete and submit the following elements. Please note that the requirements in the following locations within 7 CFR part 4284 have been combined with other requirements to simplify the application and reduce duplication: § 4284.910(b)(5)(i), § 4284.910(b)(5)(ii), and § 4284.910(b)(5)(iv). The Agency will conduct an initial screening of all application for eligibility and to determine whether the application is complete and sufficiently responsive to the requirements set forth in this Notice to allow for an informed review. Information submitted as part of the application will be protected to the extent permitted by law.

1. Form SF-424, "Application for Federal Assistance." The form must be completed, signed and submitted as part of the application package. Please note that applicants are required to have an Employer Identification Number (or a

Social Security Number if the applicant is an individual or steering committee) and a DUNS number (unless the applicant is an individual). The DUNS number is a nine-digit identification number, which uniquely identifies business entities. To obtain a DUNS number, access <http://www.dnb.com/us>, or call (866) 705-5711. Additional information on the VAPG program can be obtained at <http://www.rurdev.usda.gov/rbs/coops/vadg.htm> or by contacting the applicant's Rural Development State Office. The State Office can be reached by calling (202) 720-4323 and pressing "1".

2. Form SF-424A, "Budget Information—Non-Construction Programs." This form must be completed and submitted as part of the application package.

3. Form SF-424B, "Assurances—Non-Construction Programs." This form must be completed, signed, and submitted as part of the application package.

4. Title Page (limited to one page). The title page must include the title of the project and may include other relevant identifying information.

5. Table of Contents. For ease of locating information, each application must contain a detailed Table of Contents (TOC) immediately following the title page.

6. Executive Summary (limited to one page). The Executive Summary should briefly describe the Project, including goals, tasks to be completed and other relevant information that provides a general overview of the Project. In this element, the applicant must clearly state whether the application is for a Planning Grant or a Working Capital Grant and the grant amount requested.

7. Eligibility Discussion (limited to four pages). The Eligibility Discussion is a detailed discussion describing how the eligibility requirements are met.

i. Applicant Eligibility. The applicant must first describe how it meets the definition of an Independent Producer, Agriculture Producer Group, Farmer or Rancher Cooperative, or a Majority-Controlled Producer-Based Business Venture as defined in 7 CFR 4284.3. The applicant must apply as only one type of applicant.

If the applicant is an Independent Producer, the application must provide the following information: (1) A discussion of how 100 percent of the owners of the applicant organization meet the definition of an Independent Producer; (2) a discussion that demonstrates these owners currently own and produce more than 50 percent of the raw commodity that will be used for the Value-Added product; and (3) a

discussion that demonstrates the product will be owned by the Independent Producers from its raw commodity state through the production of the Value-Added product during the Project.

If the applicant is an Agriculture Producer Group, the application must provide the following information: (1) The mission of the applicant; (2) a statement identifying the number of the applicant's membership and board of directors that meet the definition of Independent Producer as well as the number of non-Independent Producers; (3) an identification (either by name or by class) of the Independent Producers on whose behalf the work will be done; (4) a discussion demonstrating that these Independent Producers currently own and produce more than 50 percent of the raw commodity that will be used for the Value-Added product; and (5) a discussion demonstrating that the Value-Added product will be owned by the Independent Producers from its raw commodity state through the production of the Value-Added product during the Project. Note that applicants tentatively selected for a grant award must verify that the work will be done on behalf of the Independent Producers identified in the application.

If the applicant is a Farmer or Rancher Cooperative, the application must provide the following information: (1) The applicant must reference the business' good standing as a cooperative in its state of incorporation; (2) the applicant must also explain how the cooperative is 100 percent owned and controlled by farmers and ranchers; (3) if the applicant is applying on behalf of only a portion of its membership, that portion must be identified, and the applicant must explain how all members in this portion of its membership meet the definition of an Independent Producer; (4) a discussion demonstrating that these Independent Producers currently own and produce more than 50 percent of the raw commodity that will be used for the Value-Added product; and (5) a discussion demonstrating that the Value-Added product will be owned by the Independent Producers from its raw commodity state through the production of the Value-Added product during the Project.

If the applicant is a Majority-Controlled Producer-Based Business Venture, the application must provide the following information: (1) The number of owners who are Independent Producers and the number of owners who are not Independent Producers; (2) the financial interest of Independent Producers and non-Independent

Producers in the applicant organization; (3) the voting interest of Independent Producers and non-Independent Producers on the governing board; (4) a discussion demonstrating that these Independent Producers currently own and produce more than 50 percent of the raw commodity that will be used for the Value-Added product; and (5) a discussion demonstrating that the Value-Added product will be owned by the Independent Producers from its raw commodity state through the production of the Value-Added product during the Project.

ii. **Product Eligibility.** The applicant must next describe how the Value-Added product to be produced meets at least one of the categories in the definition of Value-Added as defined in 7 CFR part 4284, subpart A. Regardless of which category is met, the applicant must describe the raw commodity that will be used, the process used to add value, and the Value-Added product that will be marketed.

If the product meets the first category (incremental value realized as a result of a change in the physical state of the commodity), the application must explain how the change in physical state or form of the product enhances its value. A change in physical state is only achieved if the product cannot be returned to its original state. Examples of this type of product include: fish fillets, diced tomatoes, ethanol, bio-diesel, and wool rugs. The following examples are not eligible under this category: dehydrated corn, raw fiber, and cut flowers.

If the product meets the second category (incremental value realized as a result of differentiated production or marketing), the application must explain how the production or marketing of the commodity enhances the Value-Added product's value. The enhancement of value must be quantified by using a comparison with products produced or marketed in the standard manner, using information from the Feasibility Study and Business Plan developed for the Venture. Examples of this type of product include: organic carrots, identity-preserved apples, and branded milk. The following example is not eligible under this category: marketing a non-standard variety of produce. Also, a Business Plan that has been developed for the applicant for the Venture must be referenced by indicating who developed the Business Plan and when it was completed.

If the product meets the third category (incremental value realized as a result of product segregation), the application must explain how the physical

segregation of a commodity enhances its value. The enhancement of value should be quantified to the extent possible by using a comparison with products marketed without segregation.

Applicants must demonstrate that a physical barrier (i.e. distance or a structure) separates the commodity from other varieties of the same commodity during production, that the commodity will continue to be separated during processing, and that the Value-Added product produced will be separated from similar products during marketing. An example of this type of product is non-genetically-modified corn that is produced on the same Farm as genetically-modified corn where an increase in incremental value is realized for either one or both of the types of corn that is attributed to physical segregation. The following examples are not eligible under this category: livestock sorted by grade, produce sorted by size or grade.

If the product meets the fourth category (economic benefit realized by Farm-or Ranch-based production of Renewable Energy), the application must explain how the Renewable Energy will be generated on a Farm or a Ranch owned or leased by the owners of the Venture. Please note that the owners/lessees of the Farm or Ranch must currently produce an Agricultural Commodity on the Farm or Ranch and the Farm or Ranch must meet the definition of a Farm or a Ranch as defined in the "Definitions" section of this notice. Examples of this type of product are wind energy, solar energy, and anaerobic digesters. The following examples are not eligible under this category: any type of fuel, such as ethanol, bio-diesel, and switchgrass pellets, that is not generated on a Farm or Ranch owned or leased by the owners of the Venture.

iii. **Purpose Eligibility.** The applicant must describe how the Project purpose is eligible for funding. The project purpose is comprised of two components. First, the applicant must describe how the proposed Project consists of eligible planning activities or eligible working capital activities.

Second, the applicant must demonstrate that the activities are directly related to the processing and/or marketing of a Value-Added product. If the applicant is applying for a Working Capital Grant, it must reference a third-party, independent Feasibility Study and a Business Plan that have been completed specifically for the proposed Venture. The reference must include the name of the party who conducted the Feasibility Study and developed the Business Plan as well as the dates the

Feasibility Study and Business Plan were completed.

If the applicant is applying for a Working Capital Grant, and it is an Agriculture Producer Group, a Farmer or Rancher Cooperative, or a Majority-Controlled Producer-Based Business Venture, it must also demonstrate that its proposed Venture has been in operation for less than two years at the time of application, in order to show that the applicant is entering an Emerging Market.

8. **Proposal Narrative** (limited to 35 pages).

i. **Goals of the Project.** The application must include a clear statement of the ultimate goals of the Project. There must be an explanation of how a market will be expanded and the degree to which incremental revenue will accrue to the benefit of the Agricultural Producer(s).

ii. **Performance Evaluation Criteria.** Applicants applying for Planning Grants must suggest at least one criterion by which their performance under a grant could be evaluated. Applicants applying for Working Capital Grants must identify the projected increase in customer base, revenue accruing to Independent Producers, and number of jobs attributed to the Project. Working capital projects with significant energy components must also identify the projected increase in capacity (e.g. gallons of ethanol produced annually, megawatt hours produced annually) attributed to the Project. Please note that these criteria are different from the Proposal Evaluation Criteria and are a separate requirement.

iii. **Proposal Evaluation Criteria.** Each of the proposal evaluation criteria referenced in this funding announcement must be addressed, specifically and individually, in narrative form. Applications that do not address the appropriate criteria (Planning Grant applications must address Planning Grant evaluation criteria and Working Capital Grant applications must address Working Capital Grant evaluation criteria) will be considered ineligible.

9. **Certification of Matching Funds.** Applicants must certify that Matching Funds will be available at the same time grant funds are anticipated to be spent and that Matching Funds will be spent in advance of grant funding, such that for every dollar of grant funds advanced, not less than an equal amount of Matching Funds will have been expended prior to submitting the request for reimbursement. Please note that this certification is a separate requirement from the verification of matching funds requirement. Applicants must include a statement for this section

that reads as follows: “[INSERT NAME OF APPLICANT] certifies that matching funds will be available at the same time grant funds are anticipated to be spent and that matching funds will be spent in advance of grant funding, such that for every dollar of grant funds advanced, not less than an equal amount of matching funds will have been expended prior to submitting the request for reimbursement.” A separate signature is not required.

10. **Verification of Matching Funds.** Applicants must provide documentation of all proposed Matching Funds, both cash and in-kind. The documentation must be included in the Appendix.

If Matching Funds are to be provided by the applicant in cash, a copy of a bank statement with an ending date within one month of the application submission is required. The bank statement must show an ending balance equal to or greater than the amount of cash Matching Funds proposed. If the Matching Funds will be provided through a loan or line of credit, the applicant must include a signed letter from the lending institution verifying the amount available, the time period of availability of the funds, and the purposes for which funds may be used.

If the Matching Funds are to be provided by the applicant through an in-kind contribution, the application must include a signed letter from the applicant verifying the goods or services to be donated, when the goods and services will be donated, and the value of the goods or services. Please note that if the applicant organization is purchasing goods or services for the grant (e.g. salaries, inventory), the contribution is considered a cash contribution and must be verified as described in the preceding paragraph. Also, if an owner or employee of the applicant organization is donating goods or services, the contribution is considered a third-party in-kind contribution and must be verified as described below. Verification for in-kind contributions donated outside the proposed time period of the grant will not be accepted. Verification for in-kind contributions that are over-valued will not be accepted. The valuation process for the in-kind funds does not need to be included in the application, especially if it is lengthy, but the applicant must be able to demonstrate how the valuation was achieved at the time of notification of tentative selection for the grant award. If the applicant cannot satisfactorily demonstrate how the valuation was determined, the grant award may be withdrawn or the amount of the grant may be reduced.

If the Matching Funds are to be provided by a third party in cash, the application must include a signed letter from that third party verifying how much cash will be donated and when it will be donated. Verification for funds donated outside the proposed time period of the grant will not be accepted.

If the Matching Funds are to be provided by a third party in-kind donation, the application must include a signed letter from the third party verifying the goods or services to be donated, when the goods and services will be donated, and the value of the goods or services. Verification for in-kind contributions donated outside the proposed time period of the grant will not be accepted. Verification for in-kind contributions that are over-valued will not be accepted. The valuation process for the in-kind funds does not need to be included in the application, especially if it is lengthy, but the applicant must be able to demonstrate how the valuation was achieved at the time of notification of tentative selection for the grant award. If the applicant cannot satisfactorily demonstrate how the valuation was determined, the grant award may be withdrawn or the amount of the grant may be reduced.

If Matching Funds are in cash, they must be spent on goods and services that are eligible expenditures for this grant program. If Matching Funds are in-kind contributions, the donated goods or services must be considered eligible expenditures for this grant program. The Matching Funds must be spent or donated during the grant period and the funds must be expended at a rate equal to or greater than the rate grant funds are expended. Some examples of acceptable uses for matching funds are: skilled labor performing work required for the proposed Project, office supplies, and purchasing inventory. Some examples of unacceptable uses of matching funds are: Land, fixed equipment, buildings, and vehicles.

Expected program income may not be used to fulfill the Matching Funds requirement at the time of application. If program income is earned during the time period of the grant, it is subject to the requirements of 7 CFR part 3015, subpart F and 7 CFR 3019.24 and any provisions in the Grant Agreement.

C. *Submission Dates and Times*

Application Deadline Date: May 16, 2007.

Explanation of Deadlines: Paper applications must be postmarked by the deadline date (see Section IV.F. for the address). Final electronic applications must be received by Grants.gov by the deadline date. If an application does not

meet the deadline above, it will not be considered for funding. Applicants will be notified that their applications did not meet the submission deadline. Applicants will also be notified by mail or by e-mail if their applications are received on time.

D. *Intergovernmental Review of Applications*

Executive Order (EO) 12372, Intergovernmental Review of Federal Programs, applies to this program. This EO requires that Federal agencies provide opportunities for consultation on proposed assistance with State and local governments. Many states have established a Single Point of Contact (SPOC) to facilitate this consultation. A list of states that maintain an SPOC may be obtained at <http://www.whitehouse.gov/omb/grants/spoc.html>. If an applicant's state has an SPOC, the applicant may submit the application directly for review. Any comments obtained through the SPOC must be provided to Rural Development for consideration as part of the application. If the applicant's state has not established an SPOC, or the applicant does not want to submit the application, Rural Development will submit the application to the SPOC or other appropriate agency or agencies.

Applicants are also encouraged to contact their Rural Development State Office for assistance and questions on this process. The Rural Development State Office can be reached by calling (202) 720-4323 and selecting option “1” or by viewing the following Web site: <http://www.rurdev.usda.gov/>.

E. *Funding Restrictions*

Funding restrictions apply to both grant funds and matching funds. Funds may only be used for planning activities or working capital for Projects focusing on processing and marketing a value-added product.

1. Examples of acceptable planning activities include:

- i. Obtaining legal advice and assistance related to the proposed Venture;
- ii. Conducting a Feasibility Study of a proposed Value-Added Venture to help determine the potential marketing success of the Venture;
- iii. Developing a Business Plan that provides comprehensive details on the management, planning, and other operational aspects of a proposed Venture; and
- iv. Developing a marketing plan for the proposed Value-Added product, including the identification of a market window, the identification of potential buyers, a description of the distribution

system, and possible promotional campaigns.

2. Examples of acceptable working capital uses include:

- i. Designing or purchasing an accounting system for the proposed Venture;
 - ii. Paying for salaries, utilities, and rental of office space;
 - iii. Purchasing inventory, office equipment (e.g. computers, printers, copiers, scanners), and office supplies (e.g. paper, pens, file folders); and
 - iv. Conducting a marketing campaign for the proposed Value-Added product.
3. No funds made available under this solicitation shall be used to:
- i. Plan, repair, rehabilitate, acquire, or construct a building or facility, including a processing facility;
 - ii. Purchase, rent, or install fixed equipment, including processing equipment;
 - iii. Purchase vehicles, including boats;
 - iv. Pay for the preparation of the grant application;
 - v. Pay expenses not directly related to the funded Venture;
 - vi. Fund political or lobbying activities;
 - vii. Fund any activities prohibited by 7 CFR parts 3015 and 3019;
 - viii. Fund architectural or engineering design work for a specific physical facility;
 - ix. Fund any expenses related to the production of any commodity or product to which value will be added, including seed, rootstock, labor for harvesting the crop, and delivery of the commodity to a processing facility. The Agency considers these expenses to be ineligible because the intent of the program is to assist producers with marketing value-added products rather than producing Agricultural Commodities;
 - x. Fund research and development;
 - xi. Purchase land;
 - xii. Duplicate current services or replace or substitute support previously provided;
 - xiii. Pay costs of the Project incurred prior to the date of grant approval;
 - xiv. Pay for assistance to any private business enterprise which does not have at least 51 percent ownership by those who are either citizens of the United States or reside in the United States after being legally admitted for permanent residence; or
 - xv. Pay any judgment or debt owed to the United States; or
 - xvi. Conduct activities on behalf of anyone other than a specific Independent Producer or group of Independent Producers. The Agency considers conducting industry-level

Feasibility Studies and Business Plans that are also known as feasibility study templates or guides or business plan templates or guides to be ineligible because the assistance is not provided to a specific group of Independent Producers.

xvii. Pay for any goods or services provided by a person or entity who has a Conflict of Interest. Also, note that in-kind Matching Funds may not be provided by a person or entity that has a Conflict of Interest.

F. Other Submission Requirements

Paper applications must be submitted to USDA Rural Development Cooperative Programs, Attn: VAPG Program, Mail STOP 3250, Room 4016-South, 1400 Independence Ave., SW., Washington, DC 20250-3250. The phone number that should be used for courier delivery is (202) 720-7558. Applications can also be submitted electronically at <http://www.grants.gov>. Applications submitted by electronic mail, facsimile, or by hand-delivery will not be accepted. Each application submission must contain all required documents in one envelope, if by mail or courier delivery service.

V. Application Review Information

A. Criteria

All eligible and complete applications will be evaluated based on the following criteria. Applications for Planning Grants have different criteria to address than applications for Working Capital Grants.

1. Criteria for applications for Planning Grants are:

- i. *Nature of the proposed venture (0-10 points)*. Projects will be evaluated for technological feasibility, operational efficiency, profitability, sustainability and the likely improvement to the local rural economy. Evaluators may rely on their own knowledge and examples of similar ventures described in the proposal to form conclusions regarding this criterion. Points will be awarded based on the greatest expansion of markets and increased returns to producers based on the following structure.
 - 0 points will be awarded if the applicant does not substantively address the criterion.
 - 1-3 points will be awarded if the applicant only partially addresses the criterion or demonstrates weakness in all areas of the criterion.
 - 4-6 points will be awarded if the applicant demonstrates that the Project meets part, but not all, of the criterion.
 - 7-9 points will be awarded if the applicant demonstrates that the Project is strong in all areas of the criterion.

- 10 points will only be awarded if the applicant demonstrates that the Project is strong in all areas of the criterion and the Project is expected to significantly expand the market for the Value-Added product to be produced and/or the Project will significantly increase returns to the Independent Producer owners of the Venture.

- ii. *Qualifications of those doing work (0-5 points)*. Proposals will be reviewed for whether the personnel who are responsible for doing proposed tasks, including those hired to do the studies, have the necessary qualifications. If a consultant or others are to be hired, more points may be awarded if the proposal includes evidence of their availability and commitment as well. If staff or consultants have not been selected at the time of application, the application should include specific descriptions of the qualifications required for the positions to be filled. The qualifications of the personnel and consultants should be discussed directly within the response to this criterion. If resumes are included, those pages will be counted toward the page limit for the narrative. Points will be awarded as follows:
 - 0 points will be awarded if the applicant does not substantively address the criterion.
 - 1 point will be awarded if the applicant only partially addresses the criterion or demonstrates weakness in the qualifications of the personnel.
 - 2-3 points will be awarded if the applicant demonstrates that the qualifications of the personnel are adequate for the Project.
 - 4 points will be awarded if the applicant demonstrates that the qualifications of the personnel are above average for the Project.
 - 5 points will only be awarded if the applicant demonstrates that the qualifications of the personnel are outstanding and could not be improved.

- iii. *Commitments and support (0-10 points)*. Producer commitments will be evaluated on the basis of the number of Independent Producers currently involved as well as how many may potentially be involved, and the nature, level and quality of their contributions. End user commitments will be evaluated on the basis of potential markets and the potential amount of output to be purchased. Proposals will be reviewed for evidence that the project enjoys third party support and endorsement, with emphasis placed on financial and in kind support as well as technical assistance. Support should be discussed directly within the response to this criterion. If support letters are included, those pages will be counted

toward the page limit for the narrative. Points will be awarded based on the greatest level of documented and referenced commitment. Points will be awarded as follows:

- 0 points will be awarded if the applicant does not substantively address the criterion.
- 1–3 points will be awarded if the applicant only partially addresses the criterion or demonstrates weakness in all areas of the criterion.
- 4–6 points will be awarded if the applicant demonstrates that the Project has strong financial commitment from all of the Independent Producer owners of the Venture, but lacks third-party support and end user commitment.
- 7–9 points will be awarded if the applicant demonstrates that the Project has strong financial commitment from all of the Independent Producer owners of the Venture AND there is third party financial and/or in-kind support, but lacks end user commitment.
- 10 points will only be awarded if the applicant demonstrates that the Project has strong financial commitment from all of the Independent Producer owners of the Venture AND there is third party financial and/or in-kind support AND there is evidence of end user commitment.

iv. Project leadership (0–5 points). The leadership abilities of individuals who are proposing the Venture will be evaluated as to whether they are sufficient to support a conclusion of likely project success. Credit may be given for leadership evidenced in community or volunteer efforts. The leadership abilities should be discussed directly within the response to this criterion. If resumes are attached at the end of the application, those pages will be counted toward the page limit for the narrative. Points will be awarded as follows:

- 0 points will be awarded if the applicant does not substantively address the criterion.
- 1 point will be awarded if the applicant only partially addresses the criterion or demonstrates weakness in the leadership abilities.
- 2–3 points will be awarded if the applicant demonstrates that the leadership abilities are adequate for the Project.
- 4 points will be awarded if the applicant demonstrates that the leadership abilities are above average for the Project.
- 5 points will only be awarded if the applicant demonstrates that the leadership abilities are outstanding and could not be improved.

v. Work plan/budget (0–10 points). Applicants must submit a work plan

and budget. The work plan will be reviewed to determine whether it provides specific and detailed descriptions of tasks that will accomplish the project's goals. The budget will be reviewed for a detailed breakdown of estimated costs associated with the planning activities. The budget must present a detailed breakdown of all estimated costs associated with the planning activities and allocate these costs among the listed tasks. Points may not be awarded unless sufficient detail is provided to determine whether or not funds are being used for qualified purposes. Matching funds as well as grant funds must be accounted for in the budget to receive points. Points will be awarded as follows:

- 0 points will be awarded if the applicant does not substantively address the criterion.
- 1–3 points will be awarded if the budget and work plan only associate grant and matching funds dollar amounts with Project tasks, but do not identify specific time frames and personnel by task.
- 4–6 points will be awarded if the budget and work plan associate grant and matching funds dollar amounts with Project tasks and identify specific time frames for Project tasks, but do not identify personnel for Project tasks.
- 7–9 points will be awarded if the budget and work plan associate grant and matching dollar amounts, specific time frames, and personnel with Project tasks.
- 10 points will only be awarded if the budget and work plan associate dollar amounts, specific time frames, and personnel with Project tasks and these dollar amounts, time frames, and personnel are realistic for the Project.

vi. Amount requested (0 or 2 points). Two points will be awarded for grant requests of \$50,000 or less. To determine the number of points to award, the Agency will use the amount indicated in the work plan and budget.

vii. Project cost per owner-producer (0–3 points). The applicant must state the number of Independent Producers that are owners of the Venture. Points will be calculated by dividing the amount of Federal funds requested by the total number of Independent Producers that are owners of the Venture. The allocation of points for this criterion shall be as follows:

- 0 points will be awarded to applications without enough information to determine the number of owner-producers.
- 1 point will be awarded to applications with a project cost per owner-producer of \$70,001–\$100,000.

- 2 points will be awarded to applications with a project cost per owner-producer of \$35,001–\$70,000.
- 3 points will be awarded to applications with a project cost per owner-producer of \$1–\$35,000.

An owner cannot be considered an Independent Producer unless he/she is a producer of the Agricultural Commodity to which value will be added as part of this Project. For Agriculture Producer Groups, the number used must be the number of Independent Producers represented who produce the commodity to which value will be added. In cases where family members (including husband and wife) are owners and producers in a Venture, each family member shall count as one owner-producer.

Applicants must be prepared to prove that the numbers and individuals identified meet the requirements specified upon notification of a grant award. Failure to do so shall result in withdrawal of the grant award.

viii. Business management capabilities (0–10 points). Applicants must discuss their financial management system, procurement procedures, personnel policies, property management system, and travel procedures. Up to two points can be awarded for each component of this criterion, based on the appropriateness of the system, procedures or policies to the size and structure of the business applying. Larger, more complex businesses will be expected to have more complex systems, procedures, and policies than smaller, less complex businesses.

ix. Sustainability and economic impact (0–15 points). Projects will be evaluated based on the expected sustainability of the Venture and the expected economic impact on the local economy. Points will be awarded as follows:

- 0–4 points will be awarded if the applicant does not substantively address the criterion.
- 5–9 points will be awarded if the applicant demonstrates that the Project has a reasonable chance of success OR will have a small impact on the local economy.
- 10–14 points will be awarded if the applicant demonstrates that the Project has a reasonable chance of success and will have a small impact on the local economy.
- 15 points will only be awarded if the applicant demonstrates that the Project is likely to succeed and that it will have a significant impact on the local economy.

x. Business size (5 points if the application meets the criterion or 0

points if the application does not meet the criterion). Applicants must state the amount of gross sales earned for their most recent complete fiscal year or start-up operations must state that they have not completed a fiscal year. Points will be awarded as follows:

- 0 points will be awarded to applicants that have \$10 million or more in gross sales OR to applicants that do not provide enough information to determine gross sales.
- 5 points will be awarded to applicants that have less than \$10 million in gross sales.

If an applicant is tentatively selected for funding, the applicant will need to verify the gross sales amount at the time of award. Failure to verify the amount stated in the application will be grounds for withdrawing the award.

xi. *Administrator points (up to 5 points, but not to exceed 10 percent of the total points awarded for the other 10 criteria).* The Administrator of USDA Rural Development Business and Cooperative Programs may award additional points to recognize innovative technologies, insure geographic distribution of grants, or encourage Value-Added Projects in under-served areas. Applicants may submit an explanation of how the technology proposed is innovative and/or specific information verifying that the project is in an under-served area.

2. *Criteria for Working Capital applications are:*

i. *Business viability (0–10 points).* Proposals will be evaluated on the basis of the technical and economic feasibility and sustainability of the Venture and the efficiency of operations. Points will be awarded as follows:

- 0 points will be awarded if the applicant does not substantively address the criterion.
- 1–3 points will be awarded if the applicant only partially addresses the criterion or demonstrates weakness in all areas of the criterion.
- 4–6 points will be awarded if the applicant demonstrates that the Project is strong for at least half of the components of the criterion.
- 7–9 points will be awarded if the applicant demonstrates that the Project is strong in at least three components of the criterion.
- 10 points will only be awarded if the applicant demonstrates that the Project is strong based on all components of the criterion.

ii. *Customer base/increased returns (0–10 points).* Describe in detail how the customer base for the product being produced will expand because of the Value-Added Venture. Provide documented estimates of this

expansion. Describe in detail how a greater portion of the revenue derived from the venture will be returned to the producers that are owners of the Venture. Applicants should also reference the pro forma financial statements developed for the Venture. Applications that demonstrate strong growth in a market or customer base and greater Value-Added revenue accruing to producer-owners will receive more points than those that demonstrate less growth in markets and realized Value-Added returns. Points will be awarded as follows:

- 0 points will be awarded if the applicant does not substantively address the criterion.
- 1–3 points will be awarded if the applicant only partially addresses the criterion or demonstrates weakness in all areas of the criterion.
- 4–6 points will be awarded if the applicant demonstrates that the Project will reasonably expand the customer base for the Value-Added product OR increase returns to the Independent Producer owners of the Venture.
- 7–9 points will be awarded if the applicant demonstrates that the Project will reasonably expand the customer base for the Value-Added product AND increase returns to the Independent Producer owners of the Venture.
- 10 points will only be awarded if the applicant demonstrates that the Project is expected to expand the customer base for the Value-Added product AND increase returns to the Independent Producer owners of the Venture in an exceptional way.

iii. *Commitments and support (0–5 points).* Producer commitments will be evaluated on the basis of the number of Independent Producers currently involved as well as how many may potentially be involved, and the nature, level and quality of their contributions. End user commitments will be evaluated on the basis of identified markets, letters of intent or contracts from potential buyers and the amount of output to be purchased. Applications will be reviewed for evidence that the Project enjoys third party support and endorsement, with emphasis placed on financial and in kind support as well as technical assistance. Support should be discussed directly within the response to this criterion. If support letters are included, those pages will be counted toward the page limit for the narrative. Points will be awarded based on the greatest level of documented and referenced commitment. Points will be awarded as follows:

- 0 points will be awarded if the applicant does not substantively address the criterion.

- 1 point will be awarded if the applicant only partially addresses the criterion or demonstrates weakness in all areas of the criterion.

- 2–3 points will be awarded if the applicant demonstrates that the Project has strong financial commitment from all of the Independent Producer owners of the Venture, but lacks third-party support and end user commitment.

- 4 points will be awarded if the applicant demonstrates that the Project has strong financial commitment from all of the Independent Producer owners of the Venture and there is third party financial and/or in-kind support, but lacks end user commitment.

- 5 points will only be awarded if the applicant demonstrates that the Project has strong financial commitment from all of the Independent Producer owners of the Venture and there is third party financial and/or in-kind support AND there is evidence of end user commitment.

iv. *Management team/work force (0–5 points).* The education and capabilities of project managers and those who will operate the Venture must reflect the skills and experience necessary to affect Project success. The availability and quality of the labor force needed to operate the Venture will also be evaluated. Applicants must provide the information necessary to make these determinations.

Applications that reflect successful track records managing similar projects will receive higher points for this criterion than those that do not reflect successful track records. Points will be awarded as follows:

- 0 points will be awarded if the applicant does not substantively address the criterion.

- 1 point will be awarded if the applicant only partially addresses the criterion or demonstrates weakness in the qualifications of the personnel.

- 2–3 points will be awarded if the applicant demonstrates that the education and capabilities of the Project managers and operators of the Venture and the availability and quality of the labor force are adequate for the Project.

- 4 points will be awarded if the applicant demonstrates that the education and capabilities of the Project managers and operators of the Venture and the availability and quality of the labor force are above average for the Project.

- 5 points will only be awarded if the applicant demonstrates that the education and capabilities of the Project managers and operators of the Venture and the availability and quality of the labor force are outstanding and could not be improved.

v. *Work plan/budget (0–10 points).*

The work plan will be reviewed to determine whether it provides specific and detailed descriptions of tasks that will accomplish the project's goals and the budget will be reviewed for a detailed breakdown of estimated costs associated with the proposed activities. The budget must present a detailed breakdown of all estimated costs associated with the Project's operations and allocate these costs among the listed tasks. Points may not be awarded unless sufficient detail is provided to determine whether or not funds are being used for qualified purposes. Matching Funds as well as grant funds must be accounted for in the budget to receive points. Points will be awarded as follows:

- 0 points will be awarded if the applicant does not substantively address the criterion.

- 1–3 points will be awarded if the budget and work plan only associate grant and matching funds dollar amounts with Project tasks, but do not identify specific time frames and personnel by task.

- 4–6 points will be awarded if the budget and work plan associate grant and matching funds dollar amounts with Project tasks and identify specific time frames for Project tasks, but do not identify personnel for Project tasks.

- 7–9 points will be awarded if the budget and work plan associate grant and matching dollar amounts, specific time frames, and personnel with Project tasks.

- 10 points will only be awarded if the budget and work plan associate dollar amounts, specific time frames, and personnel with Project tasks and these dollar amounts, time frames, and personnel are realistic for the Project.

vi. *Amount requested (0 or 2 points).*

Two points will be awarded for grant requests of \$150,000 or less. To determine the number of points to award, the Agency will use the amount indicated in the work plan and budget.

vii. *Project cost per owner-producer (0–3 points).* The applicant must state the number of Independent Producers that are owners of the Venture. Points will be calculated by dividing the amount of Federal funds requested by the total number of Independent Producers that are owners of the Venture. The allocation of points for this criterion shall be as follows:

- 0 points will be awarded to applications without enough information to determine the number of owner-producers.

- 1 point will be awarded to applications with a project cost per owner-producer of \$200,001–\$300,000.

- 2 points will be awarded to applications with a project cost per owner-producer of \$100,001–\$200,000.

- 3 points will be awarded to applications with a project cost per owner-producer of \$1–\$100,000.

An owner cannot be considered an Independent Producer unless he/she is a producer of the Agricultural Commodity to which value will be added as part of this Project. For Agriculture Producer Groups, the number used must be the number of Independent Producers represented who produce the commodity to which value will be added. In cases where family members (including husband and wife) are owners and producers in a Venture, each family member shall count as one owner-producer.

Applicants must be prepared to prove that the numbers and individuals identified meet the requirements specified upon notification of a grant award. Failure to do so shall result in withdrawal of the grant award.

viii. *Business management capabilities (0–10 points).* Applicants should discuss their financial management system, procurement procedures, personnel policies, property management system, and travel procedures. Up to two points can be awarded for each component of this criterion, based on the appropriateness of the system, procedures or policies to the size and structure of business applying. Larger, more complex businesses will be expected to have more complex systems, procedures, and policies than smaller, less complex businesses.

ix. *Sustainability and economic impact (0–15 points).* Projects will be evaluated based on the expected sustainability of the Venture and the expected economic impact on the local economy. Points will be awarded as follows:

- 0–4 points will be awarded if the applicant does not substantively address the criterion.

- 5–9 points will be awarded if the applicant demonstrates that the Project has a reasonable chance of success OR will have a small impact on the local economy.

- 10–14 points will be awarded if the applicant demonstrates that the Project has a reasonable chance of success and will have a small impact on the local economy.

- 15 points will only be awarded if the applicant demonstrates that the Project is likely to succeed and that it will have a significant impact on the local economy.

x. *Business size (5 points if the application meets the criterion or 0*

points if the application does meet the criterion). Applicants must state the amount of gross sales earned for their most recent complete fiscal year or start-up operations must state that they have not completed a fiscal year. Points will be awarded as follows:

- 0 points will be awarded to applicants that have \$10 million or more in gross sales or to applicants that do not provide enough information to determine gross sales.

- 5 points will be awarded to applicants that have less than \$10 million in gross sales.

If an applicant is tentatively selected for funding, the applicant will need to verify the gross sales amount at the time of award. Failure to verify the amount stated in the application will be grounds for withdrawing the award.

xi. *Administrator points (up to 5 points, but not to exceed 10 percent of the total points awarded for the other 10 criteria).* The Administrator of USDA Rural Development Business and Cooperative Programs may award additional points to recognize innovative technologies, insure geographic distribution of grants, or encourage value-added projects in under-served areas. Applicants may submit an explanation of how the technology proposed is innovative and/or specific information verifying that the project is in an under-served area.

B. *Review and Selection Process*

The Agency will conduct an initial screening of all applications for eligibility and to determine whether the application is complete and sufficiently responsive to the requirements set forth in this Notice to allow for an informed review.

All eligible and complete proposals will be evaluated by three reviewers based on criteria i through v described in Section V.1 or V.2. One of these reviewers will be a Rural Development employee not from the servicing State Office and the other two reviewers will be non-Federal persons. All reviewers must either: (1) Possess at least five years of working experience in an agriculture-related field, or (2) have obtained at least a bachelors degree in one or more of the following fields: Agri-business, business, economics, finance, or marketing and have a minimum of three years of experience in an agriculture-related field (e.g. farming, marketing, consulting, university professor, research, officer for trade association, government employee for an agricultural program). Once the scores for criteria i through v have been completed by the three reviewers, they

will be averaged to obtain the independent reviewer score.

The application will also receive one score from the Rural Development servicing State Office based on criteria vi through x. This score will be added to the independent reviewer score.

Finally, the Administrator of USDA Rural Development Business and Cooperative Programs will award any Administrator points based on Proposal Evaluation Criterion xi. These points will be added to the cumulative score for criteria i through x. A final ranking will be obtained based solely on the scores received for criteria i through xi.

After the award selections are made, all applicants will be notified of the status of their applications by mail. Grantees must meet all statutory and regulatory program requirements in order to receive their award. In the event that a grantee cannot meet the requirements, the award will be withdrawn. Applicants for Working Capital Grants must submit complete, independent third-party Feasibility Studies and Business Plans before the grant award can be finalized. All Projects will be evaluated by the servicing State Office prior to finalizing the award to ensure that funded Projects are likely to be feasible in the proposed project area. Regardless of scoring, a Project determined to be unlikely to be feasible by the servicing State Office with concurrence by the National Office will not be funded.

C. Anticipated Announcement and Award Dates

Award Date: The announcement of award selections is expected to occur on or about September 1, 2007.

VI. Award Administration Information

A. Award Notices

Successful applicants will receive a notification of tentative selection for funding from Rural Development. Applicants must comply with all applicable statutes, regulations, and this notice before the grant award will receive final approval.

Unsuccessful applicants will receive notification, including dispute resolution alternatives, by mail.

B. Administrative and National Policy Requirements

7 CFR parts 3015, 3019, and 4284. These regulations may be accessed at <http://www.access.gpo.gov/nara/cfr/cfr-table-search.html#page1>.

The following additional requirements apply to grantees selected for this program:

Grant Agreement.

Letter of Conditions.

Form RD 1940-1, "Request for Obligation of Funds."

Form RD 1942-46, "Letter of Intent to Meet Conditions."

Form AD-1047, "Certification Regarding Debarment, Suspension, and Other Responsibility Matters-Primary Covered Transactions."

Form AD-1048, "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transactions."

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

Form RD 400-4, "Assurance Agreement."

Additional information on these requirements can be found at <http://www.rurdev.usda.gov/rbs/coops/vadg.htm>.

Reporting Requirements: Grantees must provide Rural Development with a paper or electronic copy that includes all required signatures of the following reports. The reports must be submitted to the Agency contact listed on the Grant Agreement and Letter of Conditions. Failure to submit satisfactory reports on time may result in suspension or termination of the grant.

1. Form SF-269 or SF-269A. 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, regardless of when the grant period begins. Reports are due 30 days after the reporting period ends.

2. Semi-annual performance reports that compare accomplishments to the objectives stated in the Grant Agreement. Identify all tasks completed to date and provide documentation supporting the reported results. If the original schedule provided in the work plan is not being met, the report should discuss the problems or delays that may affect completion of the project. Objectives for the next reporting period should be listed. Compliance with any special condition on the use of award funds should be discussed. Reports are due as provided in paragraph (1) of this section. Supporting documentation must also be submitted for completed tasks. The supporting documentation for completed tasks include, but are not limited to, Feasibility Studies, marketing plans, Business Plans, articles of incorporation and bylaws and an accounting of how working capital funds were spent.

3. Final Project performance reports that compare accomplishments to the objectives stated in the proposal.

Identify all tasks completed and provide documentation supporting the reported results. If the original schedule provided in the work plan was not met, the report must discuss the problems or delays that affected completion of the project. Compliance with any special condition on the use of award funds should be discussed. Supporting documentation for completed tasks must also be submitted. The supporting documentation for completed tasks include, but are not limited to, Feasibility Studies, marketing plans, Business Plans, articles of incorporation and bylaws and an accounting of how working capital funds were spent. Planning Grant Projects must also report the estimated increase in revenue, increase in customer base, number of jobs created, and any other relevant economic indicators generated by continuing the project into its operational phase. Working Capital Grants must report the increase in revenue, increase in customer base, number of jobs created, any other relevant economic indicators generated by the project during the grant period in addition to the total funds used for the Venture during the grant period. These total funds must include other federal, state, local, and other funds used for the venture. Projects with significant energy components must also report expected or actual capacity (e.g. gallons of ethanol produced annually, megawatt hours produced annually) and any emissions reductions incurred during the project. The final performance report is due within 90 days of the completion of the project.

VII. Agency Contacts

For general questions about this announcement and for program technical assistance, applicants should contact their USDA Rural Development State Office at <http://www.rurdev.usda.gov/rbs/coops/vadg.htm>. The State Office can also be reached by calling (202) 720-4323 and pressing "1". If an applicant is unable to contact their State Office, a nearby State Office may be contacted or the RBS National Office can be reached at Mail STOP 3250, Room 4016-South, 1400 Independence Avenue, SW., Washington, DC 20250-3250, Telephone: (202) 720-7558, e-mail: cpgrants@wdc.usda.gov.

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Dated: April 10, 2007.

Jackie J. Gleason,

Administrator, Rural Business-Cooperative Service.

[FR Doc. E7-7110 Filed 4-13-07; 8:45 am]

BILLING CODE 3410-XY-P

DEPARTMENT OF COMMERCE

Bureau of the Census

2010 Census Advisory Committee

AGENCY: Bureau of the Census, Department of Commerce.

ACTION: Notice of public meeting.

SUMMARY: The Bureau of the Census (U.S. Census Bureau) is giving notice of a meeting of the 2010 Census Advisory Committee. Committee members will address policy, research, and technical issues related to the 2010 Decennial Census Program. Working groups will be convened to assist in planning efforts for the 2010 Census and the American Community Survey. Last-minute adjustments to the agenda are possible, which could prevent giving advance notification of schedule changes.

DATES: May 17-18, 2007. On May 17, the meeting will begin at 8:30 a.m. and end at approximately 5:15 p.m. On Friday, May 18, 2007, the meeting will begin at 9 a.m. and end at approximately 12 p.m.

ADDRESSES: The meeting will be held at the U.S. Census Bureau, 4600 Silver Hill Road, Suitland, Maryland 20746.

FOR FURTHER INFORMATION CONTACT: Ms. Jeri Green, Committee Liaison Officer, U.S. Department of Commerce, U.S. Census Bureau, Room 8H153, Washington, DC 20233, telephone (301) 763-2070, TTY (301) 457-2540.

SUPPLEMENTARY INFORMATION: The 2010 Census Advisory Committee is composed of a Chair, Vice-Chair, and 20 member organizations—all appointed by the Secretary of Commerce. The

Committee considers the goals of the decennial census, including the American Community Survey and related programs, and users' needs for information provided by the decennial census from the perspective of outside data users and other organizations having a substantial interest and expertise in the conduct and outcome of the decennial census. The Committee has been established in accordance with the Federal Advisory Committee Act (Title 5, United States Code, Appendix 2, Section 10(a)(b)).

A brief period will be set aside at the meeting for public comment. However, individuals with extensive statements for the record must submit them in writing to the Census Bureau Committee Liaison Officer named above at least three working days prior to the meeting. Seating is available to the public on a first-come, first-served basis.

The meeting is physically accessible to people with disabilities. Requests for sign language interpretation or other auxiliary aids should be directed to the Census Bureau Committee Liaison Officer as soon as known, and preferably two weeks prior to the meeting.

Dated: April 11, 2007.

Charles Louis Kincannon,

Director, Bureau of the Census.

[FR Doc. E7-7121 Filed 4-13-07; 8:45 am]

BILLING CODE 3510-07-P

DEPARTMENT OF COMMERCE

Bureau of Economic Analysis

Proposed Data Sharing Activity

AGENCY: Bureau of Economic Analysis, Department of Commerce.

ACTION: Notice of determination.

SUMMARY: The Bureau of Economic Analysis (BEA) will provide to the Bureau of the Census (Census Bureau) data collected from several surveys that it conducts on U.S. direct investment abroad, foreign direct investment in the United States, and U.S. international services transactions for statistical purposes exclusively. In accordance with the requirement of Section 524(d) of the Confidential Information Protection and Statistical Efficiency Act of 2002 (CIPSEA), we provided the opportunity for public comment on this data-sharing action (see the January 23, 2007 edition of the **Federal Register** (72 FR 2854)).

The data provided to Census Bureau will be used for two purposes:

(1) Data from BEA surveys of U.S. direct investment abroad and foreign

direct investment in the United States will be linked with data from the Survey of Industrial Research and Development conducted by the Census Bureau under a joint partnership agreement with the National Science Foundation (NSF). The linked data will be used to produce aggregate tabulations for the NSF, which will provide an integrated data set on R&D performance and funding with domestic and foreign ownership detail. BEA will use the linked data to augment its existing R&D-related data, identify data quality issues arising from reporting differences in BEA and Census Bureau surveys, and improve its survey sample frames. The Census Bureau will identify unmatched companies on BEA files that conduct R&D activities and add them to the R&D survey to improve the survey's sample. The NSF will be provided non-confidential aggregate data (public use) and reports that have cleared BEA and Census Bureau disclosure review. Disclosure review is a process conducted to verify that the data to be released do not reveal any confidential information.

(2) BEA will also provide data to the Census Bureau in order to link records from its surveys of U.S. international services transactions, U.S. direct investment abroad, and foreign direct investment in the United States with information from the Census Bureau's Business Register and with data from the 2002 Economic Census. This linked information will be used by the BEA to evaluate the feasibility of developing state-level estimates of service exports.

FOR FURTHER INFORMATION CONTACT: Requests for additional information on this program should be directed to Ned G. Howenstine, Chief, Research Branch, International Investment Division, Bureau of Economic Analysis (BE-50), Washington, DC 20230, by phone (202) 606-9845 or by fax (202) 606-5318.

SUPPLEMENTARY INFORMATION:

Background

CIPSEA (Pub. L. 107-347, Title V) and the International Investment and Trade in Services Survey Act (Pub. L. 94-472, 22 United States Code (U.S.C.) 3101-3108) allow BEA and the Census Bureau to share certain business data for exclusively statistical purposes. Section 524(d) of the CIPSEA required a **Federal Register** notice announcing the intent to share data (allowing 60 days for public comment). Section 524(d) also required us to provide information about the terms of the agreement for data sharing.

On January 23, 2007 (72 FR 2854), BEA published in the **Federal Register** a notice of this proposed data-sharing activity and request for comment on the