



**STATE OF CT ~ COUNCIL ON SOIL AND WATER
CONSERVATION**

P.O. Box 550 Westbrook, CT 06498
(860) 301-7859 ~ ccswced@gmail.com

**The Connecticut Council on Soil and Water Conservation
Long Island Sound Regional Conservation Partnership Program
Request for Proposals – Conservation Districts
Soil Health and Nutrient Management Planning**

The Connecticut Council on Soil and Water Conservation (Council) invites proposals from State Associations of Conservation Districts, Conservation District State Agencies, and individual Conservation Districts to carry out technical assistance and conservation planning activities to improve soil health and protect water quality in Long Island Sound (LIS) and its watershed under the Soil Health component of the LIS Watershed Regional Conservation Partnership Program (LISW-RCPP).

Background

The Regional Conservation Partnership Program (RCPP) is a new program created by the 2014 Farm Bill and administered by the US Department of Agriculture (USDA) Natural Resource Conservation Service (NRCS) nation-wide. The RCPP Program promotes coordination and co-investments by NRCS and its partners to prioritize, enhance and expand conservation assistance to agricultural producers and landowners in order to achieve their shared conservation priorities. This RFP refers to Grant Agreement Award 68-1106-15-06, dated 5/14/15 and its attachments, between the U.S. Department of Agriculture, Natural Resources Conservation Service and the Connecticut Council on Soil and Water Conservation.

NRCS is the lead Federal agency for conservation on private land. In carrying out this role, NRCS provides voluntary conservation planning, technical and financial assistance to farmers, ranchers, and other landowners to address natural resource concerns on the nation's private and non-Federal land.

The Long Island Sound Watershed Regional Conservation Partnership Program (LISW-RCPP) is a \$10 m landscape-scale initiative managed by the Connecticut Council on Soil and Water Conservation, the state agency that coordinates the activities of the Soil and Water Conservation Districts in Connecticut. The LISW-RCPP program covers the geographic area of

Long Island Sound and its watershed (HUC 01100007) through the development and implementation of a comprehensive working lands program with three program components: 1) soil health and nutrient management, 2) protection of non-industrial forest land, and 3) working lands adaptation/resiliency.

With over 600 miles of coastline, Long Island Sound is an estuary that forms the northern border of Long Island, New York and the southern boundary of Connecticut. At 1,320 square miles, it is the second largest estuary in the United States. The LIS watershed begins at the headwaters of the Connecticut River on the Quebec border and encompasses 17,814 square miles (11,400,923 acres) in six US states (CT, MA, NH, NY, RI, and VT) and the Canadian province of Quebec. Over ninety percent of the fresh water that drains into the Sound comes from three major rivers: the Connecticut, Housatonic, and Thames Rivers.

The primary resource concern to be addressed by the LISW-RCPP program is hypoxia caused by excess nutrients, primarily nitrogen, in storm water runoff. Excess nutrients are also impacting drinking water supplies within the watershed. Secondary concerns include regulatory uncertainty for farmers, loss of forest habitat, and wetland and riparian buffer degradation from severe storms and changing precipitation cycles resulting in periods of drought followed by intense rain.

Purpose and Deliverables

This Request for Proposals (RFP) invites applications from Conservation Districts in the six state Long Island Sound Watershed to participate in the Soil Health/Nutrient Management Component of the LISW-RCPP. The aim of this component is to reduce nitrogen loading to Long Island Sound from working lands, and improve overall soil health, biodiversity, and source water protection on farms by increasing the adoption of NRCS Conservation practices. In the Soil Health/Nutrient Management Component, Districts will provide technical assistance to EQIP (Environmental Quality Incentives Program) eligible agricultural producers, especially those not previously reached by USDA NRCS programs. This technical assistance will include the development of conservation plans leading to the completion of nutrient management plans on farms throughout the watershed over the life of the program. Conservation District work can include soil, stalk, and manure sampling and testing as needed, as well as monitoring and documentation of conservation practices implemented as a result of conservation planning activities. In collaboration with technical assistance provided by State University Cooperative Extension Services, this conservation planning will lead to implementation of non-structural practices such as: nutrient management, cover crops, conservation crop rotation, residue management, no-till/strip-till, mulching, forage and biomass planting, prescribed grazing, and integrated pest management.

Request for Proposals Overview

Eligibility

The organization of Conservation Districts in the LIS watershed varies state by state. Therefore, State Associations of Conservation Districts, Conservation District State Agencies, and individual Conservation Districts are eligible to apply. The Connecticut Council strongly recommends one proposal per state, covering all Districts in the LIS watershed in that state, but will consider individual District proposals.

Deadlines

Proposals will be considered on a revolving basis as they are received. However, in order for agreements to be signed by September 30, 2016 (end of fy), proposals must be submitted by June 30, 2016. Pre-award costs may be authorized at the discretion of the Council. Funds not allocated by September 30, 2016 may be made available to other states. The end date for LISW-RCPP grant reporting is December 13, 2019.

Proposal Format and Submission

An outline of information to be included in Conservation District proposals is provided below. Proposals should not exceed 8 pages in length, exclusive of budget and letters of support. A work plan must be provided as part of the proposal. Please submit a signed original proposal, with all supporting documentation, to CT Council on Soil and Water Conservation, PO Box 550, Westbrook, CT 06498. Please also submit a digital pdf of the proposal to ccswced@gmail.com.

Technical Standards and Agricultural Producer Eligibility to Participate in the RCPP Program

All work proposed under the LISW-RCPP must meet USDA NRCS technical standards for conservation practices. As this component of the LISW-RCPP is supported through the Farm Bill Environmental Quality Incentive Program (EQIP), Conservation Districts must work with agricultural producers who are eligible for EQIP funding.

Required Letters

All Conservation District proposals must include a letter of review and concurrence from their respective NRCS State Office indicating approval of the concept and NRCS willingness to support and participate in the proposed activity. The Districts should allow sufficient time to discuss their draft proposal with their State Conservationist prior to submission.

In the case of individual District proposals, an additional letter of review and concurrence from the State Association or State Agency of Conservation Districts is required.

Funding Availability

\$1,350,000 in total funding is available for this RFP. The LISW-RCPP Soil Health Work Group and Technical Steering Committee have established the following budgets for the distribution of this funding between states. These targets include \$90,000 per state, plus an additional amount based on each state’s agricultural contribution to Long Island Sound non-point source pollution as a proportion of the total NPS within the watershed (with the exception of Rhode Island where comparable data was not available.)

State	Indicative Budget
Connecticut	\$ 390,900
Massachusetts	\$ 293,600
New Hampshire	\$ 196,900
New York	\$ 95,200
Rhode Island	\$ 90,000
Vermont	\$ 303,300
Total	\$ 1,350,000

Applicants may submit a single proposal for the full amount indicated for each state, with all work and reporting completed by 12/13/2019. Districts are encouraged to “front load” their activities in earlier years, to allow time for project wrap up in the final year of the LISW-RCPP.

Budget Guidelines

The Soil Health component of the LISW-RCPP is funded with Farm Bill technical assistance funds under the NRCS Environmental Quality Incentive Program (EQIP). Therefore all activity proposed, as well as budgets, should be within the framework of the EQIP program, as well as within specific RCPP guidance. As a guideline, the average amount of technical assistance funds available per farm is \$6,375.00.

The RCPP will cover technical assistance only, not administrative expense, overhead costs, education and outreach, or construction activities. These costs may be provided as the District partner contribution (match) to the program.

Partner Contribution

Conservation Districts are required to make a partner contribution to this program. A minimum of 50% of total program costs is required. This contribution may take the form of in-kind and/or cash, and may include costs associated with administrative/overhead, outreach and education to agricultural producers, and implementation of practices or projects that fulfill the purpose of the RFP. Financial assistance (FA) and Technical assistance (TA) may both be used as partner contribution.

Reporting and Invoicing

Successful applicants will be required to submit annual work plans by August 31 each year with deliverables and expected reimbursements, and quarterly performance reports (see *Important Dates* page 7) to the Connecticut Council. Payments will be made by electronic funds transfer (EFT), requiring a completed 1199 form.

Compliance with USDA NRCS General Terms and Conditions on Grants and Cooperative Agreements

Successful applicants will be required to comply with the USDA NRCS General Terms and Conditions for Grant and Cooperative Agreements (see *Additional Information* page 7).

Consideration will be given to the following factors in rating proposals:

Project clearly addresses identified need or opportunity
Adequate scope of work and time frame
Evidence of strong local support
Project is cost effective
Preference will be given to projects located within a state priority watershed or sub-watershed

Questions about this RFP?

Contact Judy Preston, Long Island Sound Watershed RCPP Coordinator at: lisw.rcpp@gmail.com.

Proposal Outline

The following information should be included in each proposal:

1. Name and Legal Address of **Applicant**.
2. Employer Identification Number (EIN) and DUNS number of **Applicant**.
3. Name, Title, Address, email address and phone number for **Proposal Contact** (for questions about the proposal).
4. Name, Title, Address, email address and phone number for **Program Manager** (person submitting program progress reports).
5. Name, Title, Address, email address and phone number for **Administrative Contact** (this is the person who will handle contracting and invoicing questions if the proposal is approved).
6. Proposed Activity **Start Date and End Date** (final report no later than 12/13/2019).

7. What is the **need** for a focus on soil health and nutrient management planning in the LIS Watershed in your state/project area? What resource concerns will you address?
8. Provide a legible 8 1/2 x 11 or larger **map(s) of the watershed(s)**, depicting the boundary of the watershed, location of the impacted waterbody, and names of the towns within the watershed boundary.
9. How will you **identify and prioritize agricultural producers** to work with in order to achieve the maximum impact toward improving soil health and water quality in the Long Island Sound?
10. What are your **proposed activities** to address these concerns, as well as your planned **deliverables** (number of producers to be worked with, number of Conservation plans to be created, number of acres to be treated)? Provide this work plan information in table form and suitable for invoicing.
11. Describe how you will **coordinate with your state Cooperative Extension System (CES)**
12. Briefly, describe your District/organization. What **previous experience** have you had implementing similar activities to those you have proposed?
13. If your proposal covers more than one Conservation District in your state, what **process** will you use **to select Districts** and divide the funds among them?
14. **Budgets** should be presented with details of major cost centers (personnel, fringe, travel, lab fees, contractual, etc.) and include a breakdown by year (with years starting on October 1) and as a total. Provide a narrative explaining the basis of your costs. Also indicate the amount of **partner contribution** your District/organization will contribute to the program, and whether it is in-kind or cash. The budget needs to be associated with deliverables.
15. Attach **letter of review and concurrence** from NRCS and your state Conservation District association/agency if applying separately.
16. Please describe any training or other support you need to successfully complete your proposal.

Incomplete proposals will not be reviewed

Important Dates:	
June 30, 2016	Proposals must be submitted by this date for agreements to be signed by September 30, 2016
Quarterly Reports and Invoices are due on the following dates (or the Monday immediately following): (Include images or attachments that may be useful to illustrate project results)	
December 8 th	
March 8 th	
June 8 th	
September 8 th	
September 30, 2016	Funds not allocated by this date may be made available to other states
December 15, 2019	End date for LISW-RCPP grant reporting

Additional Information:	
Electronic Field Office Technical Guide (EFOTG) https://efotg.sc.egov.usda.gov	
NRCS Environmental Quality Incentives Program (EQIP) http://www.nrcs.usda.gov/wps/portal/nrcs/main/national/programs/financial/eqip/	
1199 form (NRCS): http://www.nrcs.usda.gov/Internet/FSE_DOCUMENTS/nrcs144p2_002143.pdf	
General Terms and Conditions for Grant and Cooperative Agreements: see Appendix	

OTHER CONSIDERATIONS

The LISW-RCPP Soil Health Work Group and Technical Steering Committee reserves the right to:

- Reject any or all proposals received with respect to this RFP
- Waive or modify minor irregularities in proposals received after prior notification and concurrence of the applicant
- Request from an applicant additional information as deemed necessary to more fully evaluate its proposal
- Amend the program's specifications after their release, with appropriate written notice to all potential applicants
- Select only certain portions of proposals for funding
- Negotiate the terms of any agreement proposed by the applicant

- Make all final decisions with respect to the amount of funding and the timing of payments to be provided to an applicant
- Use submitted reports, photographs and attachments for education, outreach and final reporting purposes

**AN RFP QUESTIONS AN ANSWERS
CONFERENCE CALL WILL BE HELD ON
THURSDAY, MAY 12, 2016
10:00 – 11:30**

**CALL IN: 712-775-7031
Access code: 868-211**

APPENDIX

Revised July 2015

NATURAL RESOURCES CONSERVATION SERVICE U.S. DEPARTMENT OF AGRICULTURE GENERAL TERMS AND CONDITIONS GRANTS AND COOPERATIVE AGREEMENTS

I. APPLICABLE REGULATIONS

- a. The recipient, and recipients of any subawards under this award, agree to comply with the following regulations, as applicable. The full text of Code of Federal Regulations references may be found at <http://www.access.gpo.gov/nara/cfr/cfr-table-search.html#page1> and <http://www.ecfr.gov/>.

- (1) 2 CFR Part 25, “Universal Identifier and System of Award Management”
- (2) 2 CFR Part 170, “Reporting Subaward and Executive Compensation Information”
- (3) 2 CFR Part 180, “OMB Guidelines To Agencies On Governmentwide Debarment And Suspension (Nonprocurement)”
- (4) 2 CFR Part 182, “Governmentwide Requirements for Drug-Free Workplace (Financial Assistance)”
- (5) 2 CFR Part 200, “Uniform Administrative Requirements, Cost Principles, And Audit Requirements for Federal Awards”

- b. The recipient, and recipients of any subawards under this award, assure and certify that they have and/or will comply with the following regulations, as applicable. The full text of Code of Federal Regulations references may be found at <http://www.access.gpo.gov/nara/cfr/cfr-table-search.html#page1> and <http://www.ecfr.gov/>.

- (1) 2 CFR Part 175, “Award Term for Trafficking in Persons”

(2) 2 CFR Part 417, “Nonprocurement Debarment and Suspension”

(3) 2 CFR Part 418, “New Restrictions on Lobbying”

(4) 2 CFR Part 421, “Requirements for Drug-Free Workplace (Financial Assistance)”

- c. Allowable project costs will be determined in accordance with the authorizing statute, the purpose of the award, and to the extent applicable to the type of organizations receiving the award, regardless of tier. The following portions of the Code of Federal Regulations are hereby incorporated by reference (the full text of Code of Federal Regulations references may be found at <http://www.access.gpo.gov/nara/cfr/cfr-table-search.html#page1> and <http://www.ecfr.gov/>).

(1) 2 CFR Part 200, “Uniform Administrative Requirements, Cost Principles And Audit Requirements For Federal Awards”

(2) 48 CFR Part 31, “Contract Cost Principles and Procedures”

II. UNALLOWABLE COSTS

The following costs are not allowed:

- a. Costs above the amount authorized for the project
- b. Costs incurred after the expiration of the award including any no-cost extensions of time
- c. Costs that lie outside the scope of the approved project and any amendments thereto
- d. Compensation for injuries to persons or damage to property arising from project activities

This list is not exhaustive. For general information about the allowability of particular items of costs, please see 2 CFR Part 200, “Subpart E - Cost Principles”, or direct specific inquiries to the NRCS administrative contact identified in the award.

III. CONFIDENTIALITY

- a. Activities performed under this award may involve access to confidential and potentially sensitive information about governmental and landowner issues. The term “confidential information” means proprietary information

or data of a personal nature about an individual, or information or data submitted by or pertaining to an organization. This information must not be disclosed without the prior written consent of NRCS.

- b. The recipient's personnel will follow the rules and procedures of disclosure set forth in the Privacy Act of 1974, 5 U.S.C. Section 552a, and implementing regulations and policies with respect to systems of records determined to be subject to the Privacy Act. The recipient's personnel must also comply with privacy of personal information relating to natural resources conservation programs in accordance with section 1244 of Title II of the Farm Security and Rural Investment Act of 2002 (Public Law 107-171).
- c. The recipient agrees to comply with NRCS guidelines and requirements regarding the disclosure of information protected under Section 1619 of the Food, Conservation, and Energy Act of 2008 (PL 110-246), 7 U.S.C. 8791.

IV. PRIOR APPROVAL REQUIREMENTS

The following are the most common situations requiring prior approval. However, the recipient is also bound by any other prior approval requirements of the applicable administrative provisions and Federal cost principles.

- a. Purpose or Deliverables—When it is necessary for the recipient to modify the purpose or deliverables, the recipient must submit a written request and justification for the change along with the revised purpose or deliverables of the award to the NRCS administrative contact. The request should contain the following:
 - 1. Grant or agreement number
 - 2. Narrative explaining the requested modification to the project purpose or deliverables
 - 3. A description of the revised purpose or deliverables
 - 4. Signatures of the authorized representative, project director, or both
- b. Subcontractual Arrangement—The recipient must submit a justification for the proposed subcontractual arrangements, a statement of work to be performed, and a detailed budget for the subcontract to the NRCS administrative contact. Subcontractual arrangements disclosed in the application do not require additional postaward approval.

c. Absence or Change in Project Leadership—When a project director or the person responsible for the direction or management of the project—

1. Relinquishes active direction of the project for more than 3 consecutive months or has a 25 percent or more reduction in time devoted to the project, the grantee must notify the NRCS administrative contact in writing, identifying who will be in charge during the project director's absence. The notification must include the qualifications and the signature of the replacement, signifying his or her willingness to serve on the project.

2. Severs his or her affiliation with the grantee, the grantee's options include—

i. Replacing the project director. The grantee must request written approval of the replacement from the NRCS administrative contact and must include the qualifications and the signature of the replacement signifying his or her willingness to serve on the project.

ii. Subcontracting to the former project director's new organization. The grantee must request approval from the administrative contact to replace the project manager and retain the award, and to subcontract to the former project director's new organization certain portions of the project to be completed by the former project director.

iii. Relinquishing the award. The grantee must submit to the NRCS administrative contact a signed letter by the grantee and the project director that indicates that the grantee is relinquishing the award. The letter must include the date the project director is leaving and a summary of progress to date. A final Standard Form (SF) 425 reflecting the total amount of funds spent by the recipient must be attached to the letter.

3. Transfers the award to his or her new organization, the authorized organization's representative at the new organization must submit the following to the NRCS administrative contact as soon as the transfer date is firm and the amount of funds to be transferred is known:

i. The forms and certifications included in the application package

- ii. A project summary and work statement covering the work to be completed under the project (deliverables and objectives must be the same as those outlined in the approved proposal)
- iii. An updated qualifications statement for the project director showing his or her new organizational affiliation
- iv. Any cost-sharing requirements under the original award transfer to the new institution; therefore, cost-sharing information must be included in the proposal from the new organization

Note: The transfer of an award from one organization to another can take up to 90 days to accomplish, which may result in a delay in the project director resuming the project at the new organization.

- d. Budget Revisions—Budget revisions will be in accordance with 2 CFR Part 200.308.
- e. No-Cost Extensions of Time—When a no-cost extension of time is required, the recipient must submit a written request to the NRCS administrative contact no later than 30 days before the expiration date of the award. The request must contain the following:
 - The length of additional time required to complete the project and a justification for the extension
 - A summary of progress to date
 - An estimate of funds expected to remain unobligated on the scheduled expiration date
 - A projected timetable to complete the portions of the project for which the extension is being requested
 - Signature of the grantee and the project director
 - A status of cost sharing to date (if applicable)

Note: An extension will not exceed 12 months. Only in exceptional cases will more than one extension be granted. Requests for no-cost extensions received after the expiration of the award will not be granted.

V. PAYMENTS

- a. Payment by NRCS to the entity will be made monthly or quarterly (whichever is mutually agreed upon by both parties) on a reimbursable or advanced basis upon completion of work outlined herein. Payment will be executed upon the submission of a properly executed form SF-270. The SF-270 must cite the agreement number, remittance address, and billing period. The SF-270 must be sent to the NRCS administrative contact at the address identified in block 8 of the Notice of Grant/Agreement Award.
- b. Unless otherwise specified in the award, the recipient must receive payments through electronic funds transfers.
- c. Recipients requesting advances should request payments in amounts necessary to meet their current needs pursuant to procedures contained in the Federal administrative provisions and 31 CFR Part 205.
- d. The method of payment between the recipient and its contractors will be in accordance with the policies and procedures established by the recipient except that the contractors may not use the USDA Office of Financial Management/National Finance Center method to request payments. If the grantee makes advance payments to contractors, the grantee must ensure that the timing of such payments is designed to minimize elapsed time between the advance payment and the disbursement of funds. Payment requests from the grantee's contractors will not be sent to NRCS for review or approval.
- e. Accounting records for all costs incurred under this award must be supported by source documentation. Such documentation includes, but is not limited to, canceled checks, paid bills, payroll records, and subcontract award documents. Labor cost charges to this award must be based upon salaries actually earned and the time actually worked on this award. All project costs must be incurred within the approved project period of this award, including any approved no-cost extension of time. Costs that cannot be supported by source documentation or that are incurred outside of the approved project period and budget may be disallowed and may result in award funds being returned to the Federal Government by the recipient.

VI. FINANCIAL REPORTING

- a. Recipients must submit a Federal Financial Report (FFR), SF 425 and 425A, in accordance with the following schedule (recipients may download the applicable form at <http://www.forms.gov>):

<u>Quarterly Schedule</u>	<u>Report Due Date</u>
October 1 to December 31	January 31
January 1 to March 31	April 30
April 1 to June 30	July 30
July 1 to September 30	October 30

Reports must be submitted on an accrual accounting basis. Failure to submit reports in accordance with the above schedule may result in suspension or termination of award.

- b. A final Report must be submitted no later than 90 days after the completion of the award. For final FFRs, reporting end date must be the end date of the project or agreement period. The reports should be submitted to the NRCS administrative contact identified in award notifications.

VII. PERFORMANCE MONITORING AND REPORTING

- a. The recipient is responsible for monitoring day-to-day performance and for reporting to NRCS. If the project involves subcontractual arrangements, the recipient is also responsible for monitoring the performance of project activities under those arrangements to ensure that approved goals and schedules are met.
- b. Every 6 months the recipient must submit a written progress report. Each report must cover—
1. A comparison of actual accomplishments with the goals and objectives established for the reporting period and, where project output can be quantified, a computation of the costs per unit of output.
 2. The reasons why goals and objectives were not met, if appropriate.
 3. Additional pertinent information including, where appropriate, analysis and explanation of cost overruns or high unit cost.
- c. The recipient must submit a final performance report within 90 days after completion of project.

VIII. SPECIAL PROVISIONS

- a. The recipient assures and certifies that it will comply with the minimum-wage and maximum-hour provisions of the Federal Fair Labor Standards Act.
- b. Employees of NRCS will participate in efforts under this agreement solely as representatives of the United States. To this end, they may not participate as directors, officers, employees, or otherwise serve or hold themselves out as representatives of the recipient. They also may not assist the recipient with efforts to lobby Congress or to raise money through fundraising efforts. Further, NRCS employees must report to their immediate supervisor any negotiations with the recipient concerning future employment and must refrain from participation in efforts regarding such parties until approved by the agency.
- c. Employees of the recipient will not be considered Federal employees or agents of the United States for any purposes under this agreement.

IX. PATENTS, INVENTIONS, COPYRIGHTS, AND ACKNOWLEDGMENT OF SUPPORT AND DISCLAIMER

- a. Allocation of rights of patents, inventions, and copyrights must be in accordance with 2 CFR Part 200.315. This regulation provides that small businesses normally may retain the principal worldwide patent rights to any invention developed with USDA support.
- b. In accordance with 37 CFR Section 401.14, each subject invention must be disclosed to the Federal agency within 2 months after the inventor discloses it in writing to contractor personnel responsible for patent matters. Invention disclosure statements pursuant to 37 CFR Section 401.14(c) must be made in writing to:

Acquisitions Division
Grants and Agreements Team
1400 Independence Avenue, SW.
Room 6823 South Building
Washington, DC 20250
- c. USDA receives a royalty-free license for Federal Government use, reserves the right to require the patentee to license others in certain circumstances, and requires that anyone exclusively licensed to sell the invention in the United States

must manufacture it domestically.

- d. The following acknowledgment of NRCS support must appear in the publication of any material, whether copyrighted or not, and any products in electronic formats (World Wide Web pages, computer programs, etc.) that is substantially based upon or developed under this award:

- “This material is based upon work supported by the Natural Resources Conservation Service, U.S. Department of Agriculture, under number [recipient should enter the applicable award number here].”

In addition, all publications and other materials, except scientific articles or papers published in scientific journals, must include the following statement:

- “Any opinions, findings, conclusions, or recommendations expressed in this publication are those of the author(s) and do not necessarily reflect the views of the U.S. Department of Agriculture.”

The recipient is responsible for ensuring that an acknowledgment of NRCS is made during news media interviews, including popular media such as radio, television, and news magazines, that discuss in a substantial way work funded by this award.

X. COST-SHARING REQUIREMENTS

- a. If the award has specific cost-sharing requirements, the cost-sharing participation in other projects may not be counted toward meeting the specific cost-share requirement of this award, and must come from non-Federal sources unless otherwise stated in the applicable program announcement.
- b. Should the recipient become aware that it may be unable to provide the cost-sharing amount identified in this award, it must—
1. Immediately notify the NRCS administrative contact of the situation.
 2. Specify the steps it plans to take to secure replacement cost sharing.
 3. Indicate the plans to either continue or phase out the project in the absence of cost sharing.
- c. If NRCS agrees to the organization’s proposed plans, the recipient will be notified accordingly. If the organization’s plans are not acceptable to NRCS, the award may be subject to termination. NRCS modifications to proposed cost sharing revisions are made on a case-by-case basis.

- d. Failure by the recipient to notify NRCS in accordance with paragraph (b) above may result in the disallowance of some or all the costs charged to the award, the subsequent recovery by NRCS of some of the NRCS funds provided under the award, and possible termination of the award, and may constitute a violation of the terms and conditions of the award so serious as to provide grounds for subsequent suspension or debarment.
- e. The recipient must maintain records of all project costs that are claimed by the recipient as cost sharing as well records of costs to be paid by NRCS. If the recipient's cost participation includes in-kind contributions, the basis for determining the valuation for volunteer services and donated property must be documented.

XI. PROGRAM INCOME

Income derived from patents, inventions, or copyrights will be disposed of in accordance with the recipient's own policies. General program income earned under this award during the period of NRCS support must be added to total project funds and used to further the purpose and scope of this award or the legislation under which this award is made.

XII. NONEXPENDABLE EQUIPMENT

Recipients purchasing equipment or products with funds provided under this award are encouraged to use such funds to purchase only American-made equipment and products. Title to nonexpendable equipment purchased with award funds will vest in the recipient upon completion of the award project and acceptance by NRCS of required final reports. When equipment is no longer needed by the recipient and the per-unit fair market value is less than \$5,000, the recipient may retain, sell, or dispose of the equipment with no further obligation to NRCS. However, if the per-unit fair market value is \$5,000 or more, the recipient must submit a written request to the NRCS administrative contact for disposition instructions.

XIII. LIMIT OF FEDERAL LIABILITY

The maximum financial obligation of NRCS to the recipient is the amount of funds indicated in the award as obligated by NRCS. However, in the event that an erroneous amount is stated on the approved budget, or any supporting document relating to the award, NRCS will have the unilateral right to make the correction and to make an appropriate adjustment in the NRCS share of the award to align with the Federal amount authorized.

XIV. MODIFICATIONS AND TERMINATIONS

NRCS may amend or modify the award through an exchange of correspondence between authorized officials of the recipient and NRCS. The award is subject to termination if NRCS determines that the recipient has failed to comply with the terms and conditions of the award. In the event that the award is terminated, the financial obligations of the parties will be those set forth in 2 CFR Part 200.339.

XV. AWARD CLOSEOUT

Award closeout is the process by which NRCS determines that all required project activities have been performed satisfactorily and all necessary administrative actions have been completed.