

please indicate that you are requesting application forms and instructions for the FY 2003 1890 Land Grant Institutions Rural Entrepreneurial Program Outreach Initiative. The application forms may also be located on the Rural Business-Cooperative Service website: <http://www.rurdev.usda.gov/rbs/oa/1890.htm>.

Applicants are encouraged to closely examine the evaluation criteria noted in the "Evaluation Criteria and Weights" section of this notice as proposals are prepared.

Use of Funds

Funds may be used to pay up to 75 percent of the costs for carrying out relevant projects. Applicants' contributions may be in cash or in-kind contributions and must be from non-Federal funds. Funds may not be used to: (a) Pay more than 75 percent of relevant project or administrative costs; (b) pay costs of preparing the application package; (c) fund political activities; (d) pay costs prior to the effective date of the cooperative agreement; (e) provide for revolving funds; (f) do construction; (g) conduct any activities where there is or may appear to be a conflict of interest; or (h) purchase real estate.

Based on the Consolidated Appropriations Resolution, 2003, (Pub. L. 108-7, Feb. 20, 2003), "No funds appropriated by this Act may be used to pay indirect cost rates on cooperative agreements or similar arrangements between the United States Department of Agriculture and nonprofit institutions in excess of 10 percent of the total cost of the agreement when the purpose of such cooperative arrangement is to carry out programs of mutual interest between the two parties."

Available Funds and Award Limitations

The total amount of funds available in FY 2003 for support of this program is approximately \$1.5 million. Applicants should request a budget commensurate with the project proposed. Total funds to be awarded will be distributed to the 1890 Institutions, competitively, for the purpose of conducting outreach and providing technical assistance to targeted small rural communities. This outreach initiative includes, but is not limited to, technical assistance in economic and community development, feasibility studies, research, market development, loan packaging, conducting workshops and seminars in the area of business and economic development, and developing and providing access to computer technology and website development to

the targeted population and communities. The actual number of cooperative agreements funded will depend on the quality of proposals received and the amount of funding requested. Maximum amount of Federal funds awarded for any one proposal will be \$150,000. It is anticipated that a typical award would range from \$75,000 to \$150,000. A larger award may be granted at the RBS Administrator's discretion.

Eligible Applicants and Beneficiaries

Eligible applicants are 1890 Institutions. Eligible applicants must provide matching funds equal to at least 25 percent of the amount provided by RBS in the cooperative agreement. Matching funds must be spent in proportion to the spending of funds received from the cooperative agreement. The applicant and assigned personnel must also have expertise and experience in providing the recommended assistance. Applicants should also have a previous record of successful implementation of similar projects and must have the expertise in the use of electronic network technologies and/or a business information system network website.

Eligible beneficiaries must be located in a rural area as defined in 7 U.S.C. 1991(a)(b) with economic need. Economic need can be demonstrated by the methods delineated in the "Evaluation Criteria and Weights" section of this Notice. Location in an Empowerment Zone, Enterprise Community, Champion Community, Federally-recognized Tribal Indian groups or other Federally declared economic depressed or disaster area is sufficient evidence of economic need. Eligible beneficiaries must also be located in communities that show significant community support for the proposal. Preference will be given for projects that operate in a multi-county service area.

Award recipients may subcontract to organizations not eligible to apply provided such organizations are necessary for the conduct of the project; however, the subcontracted amount may not exceed one-third of the total Federal award.

Methods for Evaluating and Ranking Applications

Each application will be evaluated in a two-part process. First, each application will be screened to ensure that it meets the administrative requirements as set forth in this Notice of Request for Proposals. Second, a number of expert reviewers will conduct a merit review based on the

"Evaluation Criteria and Weights" section of this notice. The review of the individual reviewers will be used by RBS to determine which application will be recommended to the RBS Administrator for funding. Evaluated applications will be ranked based on merit. The RBS Administrator will make final approval for those applications recommended for an award. If there is a tie score after the proposals have been rated and ranked, the tie will be resolved by the proposal with the largest matching funds as a percent of the Federal amount of the award.

Evaluation Criteria and Weights

Proposals will be evaluated using the following seven criteria. Each criterion is given the weight value shown with total points equal to 100. The points assigned provide an indication of the relative importance of each section and will be used by the reviewers in evaluating the proposals. Points do not have to be awarded by RBS for each criterion. After all proposals have been evaluated, the Administrator may award an additional 10 discretionary points to any proposal to obtain the broadest geographic dispersion of the funds, insure a broad diversity of project proposals, or insure a broad diversity in the size of the awards.

(a) *Support of Local Community (Up to 10 points)*—Proposals should have the support of local government, educational, community, and business groups. Higher points will be awarded for proposals demonstrating broad support from all components of the communities served. Broad support is demonstrated by tangible contribution, such as volunteering human capital, computers, transportation, and/or co-sponsoring workshops and conferences. Points will be awarded based on the level of tangible contribution in comparison to the size of the award. Tangible support must be stated in letters from supporting entities.

(b) *Matching Funds/Leveraging (Up to 15 points)*—This criteria relates to the extent to which the institution has the capacity to support the project with matching funds and leveraging additional funds and resources to carry out this outreach initiative.

A maximum of 10 points will be awarded based upon the amount the proposal exceeds the minimum 25 percent matching requirement. Applicants will be required to provide matching funds or equivalent in-kind in support of this project. Evidence of matching funds availability must be provided. Funds or equivalent in-kind must be available at the time the cooperative agreement is entered into.