

application should be provided, as applicable.

(xi) **Verification of Adequate Resources.** Present a budget to support the work plan showing sources and uses of funds (1) during the start up period prior to the start of operations and (2) for the first year of full operations. Present a copy of a bank statement evidencing sources of funds equal to amounts required in excess of the grant requested, or, in the alternative, a copy of confirmed funding commitments from credible sources such that USDA is satisfied that the Center has adequate resources to complete a full year of operation. Include information sufficient to facilitate verification by USDA of all representations.

(xii) **Certification of Adequate Resources** Applicants must certify that non-Federal funds identified in the budget pursuant to paragraph (2)(e)(xi) of this section will be available and funded commensurately with grant funds.

Evaluation Criteria and Weights

Each of the following seven evaluation criteria may be awarded up to five (5) points.

(1) **Ability to Deliver.** The application will be evaluated as to whether it evidences unique abilities to deliver Producer Services so as to create sustainable value-added ventures. Abilities that are transferable to a wide range of agricultural value-added commodities are preferred over highly specialized skills. Strong skills must be accompanied by a credible and thoughtful plan.

(2) **Successful Track Record.** The applicant's track record in achieving value-added successes.

(3) **Work Plan/Budget.** The work plan will be reviewed for detailed actions and an accompanying timetable for implementing the proposal. Clear, logical, realistic and efficient plans will result in a higher score. Budgets will be reviewed for completeness and the strength of non Federal funding commitments.

(4) **Qualifications of personnel.** Proposals will be reviewed for whether the key personnel who are to be responsible for performing the proposed tasks have the necessary qualifications and whether they have a track record of performing activities similar to those being proposed. If a consultant or others are to be hired, points may be awarded for consultants only if the proposal includes evidence of their availability and commitment as well. Proposals using in-house employees with strong track records in innovative activities

will receive higher points relative to proposals that out-source expertise.

(5) **Local support.** Proposed Centers must show local support and coordination with other developmental organizations in the proposed service area and with state and local institutions. Support documentation should include recognition of rural values that balance employment opportunities with environmental stewardship and other rural amenities. Proposed Centers that show strong support from potential beneficiaries and coordination with other developmental organizations will receive more points than those not evidencing such support.

(6) **Future support.** Applicants that can demonstrate financial independence in future years will receive more points for this criterion. Points will be awarded only where future funding sources are documented by letters of commitment.

(7) **Performance Criteria.** Criteria suggested by the applicant in the proposal narrative that are ambitious, relevant and quantifiable and reflect serious consideration and seriousness of purpose will score more points than superficial performance criteria that reflect little or no challenge or that do not incorporate variables that reflect value-added results.

In the event of a tied score between two or more applications, the scores for the first individual criterion will be compared, and the highest score for that individual criterion will break the tie. If the scores for the first criterion are tied, the scores for the second criterion will be compared, and so on.

Form of Submission

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

Evaluation Screening

The Agency will conduct an initial screening of all proposals to determine whether the applicant is eligible and whether the application is complete and sufficiently responsive to the requirements set forth in this Notice to allow for an informed review. Failure to address any of the required evaluation

criteria will disqualify the proposal. Submissions which do not pass the initial screening may be returned to the Applicant. If the submission deadline has not expired and time permits, returned applications may be revised and re-submitted.

Evaluation Process

(1) Applications will be evaluated by agricultural economists or other technical experts appointed by the Agency.

(2) After all proposals have been evaluated and scored, Agency officials will present to the Administrator a list of all applications in rank order, together with funding level recommendations.

(3) The Administrator has not elected to reserve the right to award additional points for this round of competition; the applications will be funded in rank order until all available funds have been obligated.

Related Policies and Procedures Applicable to AIC Grants

Definitions

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

Agriculture Producer Group—An organization that represents Independent Producers, whose mission includes working on behalf of Independent Producers and the majority of whose membership and board of directors is comprised of Independent Producers.

Agricultural Product—Plant and animal products and their by-products to include forestry products, fish and seafood products.

Board of Directors—The group of individuals that govern the Center.

Center—The Agriculture Innovation Center to be established and operated by the grantees. It may or may not be an independent legal entity, but it must be independently governed in accordance with the requirements of this subpart.

Cooperative—A user-owned and controlled business from which benefits are derived and distributed equitably on the basis of use.

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

Economic development—The economic growth of an area as evidenced by increase in total income, employment opportunities, decreased