

Agriculture Risk Management Education Partnerships Grants Program (ARME)

An Operational Guidelines for Regional Extension Risk Management Education Centers

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United States
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National Institute
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An Operational Guidelines for Regional Extension Risk Management Education Centers

Extension Risk Management Education (ERME) Program Summary

Section 133 of the Agricultural Risk Protection Act (ARPA) of 2000, Public Law 106-224 authorizes the Secretary of USDA, acting through the National Institute of Food and Agriculture (the successor agency to CSREES – the Cooperative State Research, Education, and Extension Service), herein referred to as NIFA, to carry out the program *Partnerships for Risk Management Education*. Under this authority NIFA partners with four Regional ERME Centers and the Extension Risk Management Educational Electronic Support Center to address the risk management educational needs of agricultural producers. These Centers have carried out a national competitive grants program in Risk Management Education since 2001, making competitive grants to qualified public and private entities in their regions for the purpose of educating agricultural producers about the full range of risk management activities including futures, options, agricultural trade options, crop insurance, cash forward contracting, debt reduction, production diversification, farm resources risk reduction, and other risk management strategies.

The return sought on the investment of ERME awards is the improved ability of farm and ranch families to manage the risks associated with farming and ranching businesses. Effective risk management means selecting tools and approaches that reduce the adverse financial effects of the uncertainties of weather, yields, prices, credit, government policies, global markets and other factors, including human resources and legal issues, that can cause wide swings in farm income or threaten the economic viability of the farm or ranch. Alternative production and management strategies may create a different set of business risks, and/or may sometimes increase those risks. Effective risk management education is also intended to help producers make a comparative risk assessment of alternative production or management practices.

The 2008 Farm Bill, Section 12026, amends the ERME program by placing a special emphasis on risk management strategies, education, and outreach specifically directed to: (a) beginning farmers or ranchers; (b) legal immigrant farmers or ranchers who are attempting to become established producers in the United States; (c) socially disadvantaged farmers or ranchers; (d) farmers or ranchers who are preparing to retire and are using transition strategies to help new farmers or ranchers get started; and (e) new or established farmers or ranchers who are converting production and marketing systems to pursue new markets.

Purpose of Operational Guidelines for the ERME Program

These Operational Guidelines were developed by the five ERME Centers in partnership with USDA NIFA National Program Leader. These Operational Guidelines outline a coordinated strategy for administering ARPA's *Partnerships for Risk Management Education* in a manner that makes the results of risk management research, education and outreach programs available to the entire United States agricultural and food community, and particularly to the farmers and ranchers whose business enterprises are at greatest risk. The Guidelines are premised on

principles of transparency, fairness, equity, consistency, cooperation, stakeholder participation, and consensus-building. No Center can impose a burden on applicants greater than any other Center. The Guidelines are also premised on the belief that the goals of risk management education will be most effectively attained by this coordinated strategy of administration and implementation. These Guidelines ensure that the regional ERME programs meet the federal requirements for competitive grant programs.

ERME Program Management Structure

National and Regional Authorities

The USDA responsibilities are conducted by the National Institute of Food and Agriculture (NIFA) on behalf of the Secretary of Agriculture. Program authority rests with NIFA through the National Program Leader for Sustainable Farm Enterprises who is responsible for national oversight and coordination, along with other NIFA staff. The national program has a regional structure wherein select land-grant institutions or equivalent organizations in the Northeast, North Central, Southern, and Western regions host “Regional Risk Management Education Centers” which conduct a competitive grant program and other activities under the direction of a Regional Center Director (Director) with guidance from Regional Advisory Councils (AC). (Regional boundaries are consistent with the four Extension Administrative regions.) Each regional host institution employs or contracts with the Director and other persons as necessary to carry out the responsibilities of the program.

A fifth Center, known as the Extension Risk Management Education Electronic Support Center, was established to provide electronic support and enhanced archival capabilities to ensure public access to materials produced by the ERME Program. This approach was developed in response to an internal program evaluation at NIFA and stakeholder recommendations provided at hearings held by NIFA throughout the country.

To be eligible to host a Regional ERME Center, a land grant institution or equivalent organization must be able to document and demonstrate its ability to manage a competitive grants program; to accomplish coordination across regions and with partner agencies and departments nationally; to allocate resources within their region in a fair and efficient manner subject to the statutory requirements of ARPA and in compliance with Award Terms and Conditions and these Operational Guidelines; and, they must agree to provide awards under a “standard streamlining agreement” with NIFA.

Regional Host Institutions and Regional ERME Centers

Each Regional Host Institution and Regional ERME Center Director is responsible for the management of his/her Regional ERME Program in cooperation with the other Regional ERME Centers, the Digital Center, and the National Institute of Food and Agriculture, USDA. The Regional Host Institution convenes and provides staff support to the Regional ERME Center and Regional Advisory Council and enters into agreement with NIFA to carry out the competitive grants programs and other activities, including the administration and oversight of sub-awards to recipients.

These Regional ERME Centers are selected by NIFA through a competitive process whereby Centers are subject to ongoing merit review. A new host institution will be sought when the existing host institution relinquishes responsibility for administering the regional program, or when NIFA determines via a thorough review process that the host institution is not in compliance with statute, award terms and conditions, or these operational guidelines, and is not meeting program expectations. This search will be initiated with publication of a national Request for Applications and selection will be made through a competitive merit review process outlined in that RFA. The outgoing and newly-appointed host institutions will assure sufficient overlap in programming to maintain program integrity.

Replacing Regional Center Directors: When the Director retires or resigns by choice or at the request of the host institution or NIFA following a review process, the host institution, in consultation with the NIFA National Program Leader, will determine a strategy to solicit applications for a replacement, or to initiate a search for a new host institution. With concurrence from the National Program Leader, the Dean/Director will solicit applications for a replacement and provide names of prospective candidates that will be screened and interviewed by the host institution. When a selection of a qualified replacement is made, the host institution will assure sufficient overlap between the appointments of the incoming and outgoing Directors to maintain program integrity. If the search process is not successful, a search for a new host institution and Director may be initiated.

Regional Advisory Councils

No fewer than four Regional Advisory Councils (AC)—one for each Regional Center—will be appointed to support the ERME competitive grant program, to serve as merit reviewers of pre-proposals and Full Proposals and make recommendations on prospective ERME subwards, to provide input to Center staff concerning the risk issues facing agricultural producers in their geographical areas, and to advise the Director of program improvements. The AC is appointed by the Director, who strives to appoint members who reflect the diversity of the region by locale, culture, gender, audiences, and public and private organizations and professions.

Advisory Council Composition: Each Council is comprised of 6 to 15 members who possess a broad range of experience in agriculture, understand the risks that face farmers and ranchers, are knowledgeable about various risk management alternatives, possess risk management analysis or planning skills, have the commitment and time to evaluate high-quality delivery of risk management education programs to producers, are representative of those in need of risk management education in their respective regions, and are committed to diversity and fairness.

Term of Appointment: Members of the Advisory Councils are appointed to serve three and four year terms, on a staggered basis. No member may serve more than two terms.

Roles and Responsibilities: The primary role of Advisory Council members is the merit review and evaluation of ERME proposed projects and award recommendations to the Regional Center Director. Advisory Councils also are responsible to provide and review stakeholder input and make recommendations for future RFA content and program improvements to the Director. This

may include recommendations on potential Advisory Council member, regional priorities, topical target areas, and other program improvements consonant with these Operational Guidelines.

Training of Advisory Council Members: Each Director shall provide training to every new AC member prior to them engaging in their respective duties in merit review and evaluation, stakeholder input assessment, and program management and improvement. This training shall be based on the core curriculum, agreed to by all Regional ERME Center Directors, that fully explains to AC members the roles and responsibilities for the program mission and guiding principles, the merit review process, proposal evaluation criteria, conflict of interest and confidentiality policy imperatives, and results-based theory and practice.

Stakeholder Input

Leaders of the ERME Program at the national, regional, and local levels are committed to program fairness and continual program improvement. Towards that end we welcome questions, comments, critique, suggestions, and recommendations from anyone who has a stake in the success of the program and its goals of teaching farm and ranch families to better manage the risks associated with their farming and ranching enterprises and promoting the well-being of those who grow the our Nation's food, fiber, feed, forests, flowers, and fuel, and provide stewardship of our agricultural lands, rural communities, rural landscapes, and the natural resources on which we all depend.

Stakeholders Defined: ARPA defines stakeholders as partners who represent a wide range of public and private entities and professions, including but not limited to producers and their families; agricultural insurers; public and private lending institutions; and individuals and organizations who provide risk management education programs and services. Stakeholders may include insurance companies and agents, commodity groups, business and tax consultants, commodity brokers, lending institutions and loan officers, fee-for-service farm and commodity organizations, county-based extension educators, voluntary interest groups organized to foster the well-being of farm families, other governmental entities such as USDA's Risk Management Agency, among others, non-governmental organizations, or any public or private entity that provides programming on behalf of producers or is interested in risk management tools and risk mitigation strategies.

Solicitation and Application of Stakeholder Input: Stakeholder input is solicited to ensure that the ERME Program continues to address issues and concerns of importance to farmers and their families, as well as the professions and entities that provide them with services and support. The ERME Centers shall request stakeholder input on a continual basis through meetings with various stakeholders, mail received, and telephone, e-mail, or other forms of electronic communication. This input may be in the form of questions, comments, critiques, suggestions, and recommendations.

Additionally, each Regional ERME Center will publish in their respective RFA the following wording to solicit stakeholder input:

Such comments will be used to meet the requirements of section 103(c)(2) of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7613(c)(2)). This section requires the Secretary of Agriculture to solicit and consider input on a current RFA from persons who conduct or use agricultural research, education and extension for use in formulating future RFAs for competitive programs.

Each Center will, on an annual basis, prepare a summary of stakeholder input from members of special emphasis audiences and this summary will be made publicly available on each Center's website, as well as on the Extension RME website at <http://extensionrme.org/>.

All stakeholder input will be considered for inclusion in the Regional Center's Request for Applications (RFA) and in making program improvements. The Directors, working in concert with their respective Advisory Councils and the National Program Leader, are the final authority regarding the acceptance or rejection of any specific comments, critiques, suggestions, or recommendations.

Requests for Applications (RFA)

Soliciting High-Quality Proposals for Risk Management Education Projects

The Request for Applications (RFA) is the instrument Regional ERME Centers use to solicit pre-proposals and Full Proposals for education and training projects to address regional risk management program goals and objectives.

Use of RFA Template: To ensure consistency and fairness on a national basis, and to minimize confusion for applicants and Proposal reviewers alike, each Regional Center shall publish an annual RFA. With two exceptions, these regional RFAs are to be identical. The two exceptions include: identification of and contact information for the Regional Center that issued the RFA, and identification of the regional priorities or "target areas" they will emphasize within the five risk management categories.

Publication of RFA: Each Center shall publish and disseminate their respective RFA electronically through their own website and through the ERME Electronic Support Center, otherwise known as the Digital Center. Each Center will ensure that the RFA is readable and downloadable from their websites and available as an email attachment, upon request.

Publication Date: All four regional RFAs shall be published simultaneously, on or about November 1st each year. For cause, the Directors may agree to change the publication dates and submission deadlines. The NIFA National Program Leader will be informed as soon as practicable of any changes to publication dates, the window of opportunity for applicant response, and submission deadlines.

Notification of Open Competition: Each Regional Center shall announce their release of the RFA to eligible parties within, but not necessarily limited to, their geographical boundaries using all appropriate means of communication (newsletters, websites, appropriate local and regional list serves, NIFA appropriate list serves, public meetings, multistate Extension committees, relevant professional societies, and social networking tools, etc.). Furthermore, all Regional

Centers are required to provide prospective applicants with complete instructions on how to apply for ERME grants. All information necessary to conduct a fair and open competition should be provided, including access to the Regional Center RFA, application expectations and procedures, evaluation criteria, technical assistance for electronic interface, submission deadlines, etc. The broadest possible dissemination will increase the likelihood that each Regional Center receives high quality project Proposals designed to meet the needs of producers and their families.

Eligibility: Program eligibility is outlined in the RFA, but for the purposes of notification and dissemination, parties eligible and encouraged to apply for ERME grants include private and public groups, organizations and institutions, including land grant colleges and universities, Cooperative Extension, other colleges and universities, and qualified public and private entities in the region with a demonstrated capacity to develop and deliver educational programs for agricultural producers and their families. Eligible parties also include farm organizations, commodity groups, lenders, consultants, marketers, risk management service providers such as crop insurers, and other non-governmental and community-based organizations.

Special Emphasis Audiences: The four Regional ERME Centers, along with the Digital Center, will document special efforts to notify, solicit, and encourage the participation of the special emphasis audiences enumerated in Section 12026 of 2008 Farm Bill and identified in the program summary of these Operational Guidelines.

Key Dates and Schedules: Each Regional ERME Center shall publish and distribute their respective RFA annually and shall conduct review and evaluation of proposals using an agreed upon application, review, and award schedule which will be published in the annual RFA.

Funding Limits: Congress has appropriated approximately \$5 million annually for the ERME program in recent years to be allocated among the four Regional ERME Centers and the Digital Center. There is no guarantee of continued funding at this level. Accordingly, while no absolute lower or upper limits have been set on award amounts for successful proposals, a range of \$5,000 to \$50,000 is traditional. Funding above \$50,000 per year is highly unlikely. Any revision to these traditional funding levels must be achieved by consensus of the Directors, the Digital Center Director, and the NIFA National Program Leader and will be announced through the communication channels identified under “Notification of Open Competition.”

The Merit Review of ERME Applications

Soliciting Producer Focused, Results Based RME Projects.

The solicitation process, evaluation process, selection process, and reporting system are focused on producer-focused, results-based programming. Will program investments improve the risk management skills of participating farmers and ranchers? The competitive, merit-review process which selects and supports the highest caliber projects is central to answering this question.

An abbreviated overview of the competitive review process is provided here. It is presented in greater detail in the section of the Handbook titled “ERME Merit Review Process.” The merit

review processes and procedures are consistent with NIFA standards for conducting competitive programs. They provide a consistent method by which both pre-Proposals and full Proposals are reviewed, evaluated, and recommended for funding. The key objectives in implementing these processes and procedures are to establish a common set of evaluation criteria, to conduct a fair and unbiased evaluation of each and every Proposal, to ensure that all applicants are treated in a consistent manner, and to promote a competitive process that nets the very best producer-focused, results-based risk management education projects possible.

Overview of Competitive Review Process

The Two-Stage Process: The competitive process for the Extension Risk Management Education (ERME) program is a two-stage process. It begins when the Regional ERME Centers announce electronic publication of the ERME Request for Applications (RFA) on or about November 1st of each year. Prospective applicants respond to the RFA via the Regional Center website which provides a portal to the Results Verification System through which they submit a short application—pre-proposal—briefly describing their proposed risk management education project. Following the submission deadline, all pre-proposals are reviewed by staff of the Regional ERME Center and evaluated by Advisory Council members who identify which projects merit further consideration. Those applicants whose projects are deemed worthy of further consideration receive an invitation to submit a lengthier Full Proposal via the Results Verification System. Following the submission deadline, these Full Proposals are reviewed and evaluated by members of the AC members who make their individual assessments using the criteria announced in the RFA. To ensure consistency and fairness, all Proposals are evaluated using these criteria.

The Merit Review Panel: In early April, Regional ERME Advisory Councils convene face-to-face in a formal merit review panel to evaluate the relative merits of each Full Proposal, document the strengths and weaknesses of each proposal as feedback for applicants, and agree which are the very best proposals to recommend for funding (within the limits of the announced program budget). This is a discussion and deliberation process, followed by a series of votes. Each proposal first receives a rating, based on reviewers' agreement about its strengths and weaknesses. Then each proposal is arrayed in rank order, indicating its merit relative to all other proposals in the portfolio of applications.

Award and Funding Decisions: After all proposals have been rated and then ranked “first, second, third, etc.” and this order is undisputed by the AC, the award decision nears its final stage. A brief review of problematic budgets is offered to advise the Director on ways to allocate program resources. At this point, the AC reviews the top slate of proposals likely for funding and makes a determination through discussion, recalibration, and voice vote whether the portfolio is balanced. When the AC is confident in their slate of fundable proposals, the award and funding decisions are considered final. Award decisions are announced on the dates published in the RFA.

Training Awardees: Each Regional Center will provide training to all successful applicants to ensure they understand proper fiscal accountability, time and content of progress reports and

final reports, and other information that will assist them to successfully manage their respective projects.

A more detailed presentation of the competitive review process contained in the “ERME Merit Review Process” section of the Handbook describes the roles and responsibilities of the Regional ERME Advisory Council members, Regional ERME Director and staff, and the standardized tools used to conduct and document the merit review process.

Merit Review Process Governing Policies

Conflict of Interest Policy

All competitions for ERME awards--solicitations, reviews, merit discussions, and funding decisions--shall be conducted in a manner to provide open and fair competition. The Regional ERME Center Directors and staff, as well as AC members shall be alert to conflicts of interest and/or noncompetitive practices among any members, staff, and applicants that may restrict competition or otherwise jeopardize the integrity of the competitive process and program objectives. To ensure fair competition, no one involved in developing the request for applications/proposals shall be eligible to compete for such awards during or 12 months following his or her tenure (Solicitation). To ensure objective review of applications, no one involved in the review of applications and/or the determination of awards shall have a conflict of interest (Review, Merit Discussions, and Funding Decisions).

Competition for awards will be based on merit. Awards shall be made to the applicants whose Proposals are most responsive to the solicitation/request for applications, of highest technical merit, and have the greatest capacity to achieve program goals. During the merit evaluation process, extreme care should be taken to prevent any conflicts of interest (COIs) that may bias the review or evaluation.

Reviewer COIs Described: A reviewer of an application for an ERME grant is considered to have a conflict of interest (and must be disqualified as a reviewer) if they have a material interest—financial or otherwise—in an application under review. A conflict of interest is assumed if, in relation to the project director or other key personnel listed in the application, the reviewer is or has been:

- a thesis or postdoctoral advisee/advisor;
- a co-author on a publication within the past 3 years, including pending publications and submissions;
- a collaborator on a project within the past 3 years, including current and planned collaborations;
- in a paid consulting/financial arrangement/board members or other conflict-of-interest in the past 3 years, including receiving compensation of any type (e.g., money, goods, or services);
- employed by the same institution or organization, previously employed by the institution within the past 12 months, or under consideration for employment at the institution; or

- a spouse, child, sibling, parent, close friend or other relationship that might affect his or her judgment, or could be seen as doing so by a reasonable person familiar with the relationship.

Additionally:

- No AC member, nor Regional ERME Center Director of a grant-awarding center, may help to develop a competitive grant proposal or participate on a proposed project during his or her tenure with the Council or Center. Those wanting to submit proposals must resign their membership or position.
- No Regional ERME Center staff may serve as a Project Director or Co-Director on a competitive grant proposal under consideration, nor may they help develop a competitive grant proposal.
- No Regional ERME Center staff may review or participate in the discussion, deliberation, or recommendation regarding any competitive grant proposal.

COI Sequestration Requirements: During the discussion or recommendation of proposed projects, any AC member(s) and/or Regional ERME Center staff member with a conflict of interest must leave the room. When members and staff are sequestered (recused) from the panel discussion, recommendations should focus on the specific project under discussion. When the next proposal is ready to be introduced, all members eligible to participate (those without a COI) should be back in the room. When a large slate of projects is being voted upon, such as in the final ranking and award recommendation, members with a conflict of interest do not need to leave the room, but they must refrain from making any comments on proposals for which they have a conflict.

Managing Potential Conflicts of Interest: As the number of Extension educators continues to decline at the county and state specialist levels, the ERME community may be challenged to identify sufficient subject matter experts to conduct robust programming. The requisite expertise sometimes resides within the staff of the Regional ERME Centers, whose participation in proposed projects has previously been prohibited due to the appearance of a conflict of interest. It is in the best interest of the ERME program to have access to this essential expertise. Consequently, these Operational Guidelines provide the following mechanism to permit participation of Regional ERME Center staff in proposed projects while maintaining the integrity of the competitive process by managing potential conflicts of interest through disclosure, transparency, and documentation.

- Whenever a proposal which names an ERME Center staff member as participant or collaborator is selected by the AC for funding, an Ad Hoc committee comprised of the four Regional ERME Center Directors and the responsible NIFA National Program Leader will convene prior to conveying an award to review the proposal and the proposal selection process.

- This Ad Hoc committee will ensure the proposal was selected based solely on scientific and technical merit and that the named ERME Center staff has the rare subject matter expertise required by the proposed project.
- This Ad Hoc committee will also ensure that no undue influence was exerted on AC member in the selection process. Undue influence is assumed if:
 - AC members report any ERME Center bias or pressure during deliberation on the proposal, or
 - There is sufficient subject matter expertise within the larger ERME community that could have been enlisted, or
 - There is evidence to suggest the ERME Center staff member lacks the relevant expertise, or
 - There is evidence to suggest the award was made based on the ERME Center staff's position or affiliation rather than subject matter expertise and reputation for producing quality results.
- When the Ad Hoc committee is confident that the competitive process was not compromised, they will issue a Conflict of Interest Waiver by documenting their review process and findings and including this written documentation in the award file.
- The Regional ERME Center making the award will be responsible for maintaining adequate documentation to support the Conflict of Interest Waiver and will make such documentation available to NIFA, federal auditors, and the public to resolve disputes that arise from instances in which the integrity of the competitive process is questioned.
- The Regional ERME Center staff member participating or collaborating in an awarded project is subject to all Terms and Conditions of the award, including the prohibition from monetary benefit to themselves or their programs. (Travel or per diem compensation, as well as salary not to exceed 100% of federal funding are permitted.)

Any AC or Regional ERME Center Director may set a more restrictive, but not a less restrictive, Conflict of Interest policy.

Confidentiality Policy

The Regional ERME Centers receive applications in confidence. Directors, their staff, and ACs share in the responsibility to protect the confidentiality of that submission and content, as well as the identity of merit reviewers, and the content of their panel discussions and deliberations.

Protect the Content of Proposals: Until a Proposal is funded, the material within the Proposal remains the intellectual property of the applicant. For this reason, no AC member or any other reviewer assigned should discuss the contents of any Proposal outside of the panel review process. Further, no member or reviewer shall copy, quote or use material contained within Proposals without the express permission of the applicant. AC members are not permitted to contact the applicant directly; they must go through the Director, and only after the review

process has been completed. Extreme care should be taken to protect any print copies of application materials and these should be destroyed immediately following the review panel process.

Protect the Content of Panel Discussions and Deliberations: To promote the integrity of the merit review process, it is imperative that what is discussed during the review process of pre-proposals and Full Proposals is not conveyed to any outside party. This is both for the protection of the applicant, as well as the AC reviewers. A summary of the panel deliberation of each applicant's proposal is provided to them. It is necessary to ensure that no particular comments can be attributed to any one reviewer, so the panel summary must be written without attribution of individual comments. AC reviewers need to feel assured that their discussions will be held in full confidence so that an atmosphere of open communication and discussion is maintained throughout the evaluation process.

Risk Management Education Definitions

The definitions associated with the NIFA ERME Competitive Grants Program are provided below and as an addendum to this Handbook. These definitions, as well as the definitions that pertain to the application process, will be available through the Extension RME verification resources at the Extension Risk Management Education Electronic Support Center (Digital Center) website www.ExtensionRME.org. Definitions are also provided in the "Proposal Resources" section of the online grant application. Each Regional ERME Center RFA shall have an explicit statement directing applicants to program definitions through the program website(s).

For the purpose of this program, the following definitions will be applicable:

Advisory Council means a group from the broad spectrum of stakeholders appointed by the Director that provides input to ERME Center staff concerning the risk issues facing agricultural producers in their geographical areas; determines, using available stakeholder input, what, if any, priorities should be incorporated for their region's next grant offering; assists the ERME Center staff in establishing ERME Center priorities and special projects necessary to meet the priority risk issues within their region; and evaluates through a merit review process the pre-proposals and full applications to determine which projects receive funding.

Agricultural Risk Management means selecting tools and approaches that reduce the adverse financial effects of the uncertainties of weather, yields, prices, credit, government policies, global markets and other factors including human resources and legal issues that can cause wide swings in farm income or threaten economic viability. Extension Risk Management uses the conceptual framework of managing the five areas of agricultural risk: price/markets; production; financial; legal; and human.

Authorized Center Officer means the Center Director or any employee of the Center who has the authority to issue or modify grant instruments on behalf of the Center Director.

Authorized organizational representative means the president, director, chief executive officer, or other designated official of the applicant organization, who has the authority to commit the resources of the organization.

Beginning farmer or rancher means a person that has not operated a farm or ranch; or has operated a farm or ranch for not more than 10 years.

Budget period means the interval of time (up to a maximum of 18 months) into which the project period is divided for budgetary and reporting purposes.

Center Director means the Director of the Regional Extension Risk Management Education Center and any other officer or employee of the Center to whom the authority involved is delegated.

Collaboration/partnering means a joint effort among two or more institutions, organizations and/or other entities with the capacity to conduct projects intended and designed to accomplish the purpose of the program.

Department or USDA means the United States Department of Agriculture.

Education activity means classroom or workshop instruction, practicum experience directly related to farming or ranching, and other related matters such as curriculum development, instructional materials, and innovative teaching methodologies.

Extension activity means an act or process that delivers science-based knowledge and informal educational programs to people, enabling them to make practical decisions.

Grant means the award by the Center Director of funds to an eligible organization or individual to assist in meeting the costs of conducting, for the benefit of the public, an identified project that is intended and designed to accomplish the purpose of the program as identified in these guidelines.

Grantee means the organization designated in the grant award document as the responsible legal entity to which a grant is awarded.

Limited-resource farmer or rancher is one who has: 1) direct or indirect gross farm sales not more than \$116,800 in each of the previous 2 years (in 2005 dollars, adjusted for inflation each year); and 2) a total household income at or below the national poverty level for a family of four or less than 50 percent of county median household income in each of the previous 2 years.

Merit review means an evaluation whereby the quality and relevance of a proposed project to program goals are assessed.

Project Director/Co-Directors means the individual(s) designated in the grant application who is(are) responsible for the direction and management of the project.

Producer means individuals, families, or other entities in the U.S. engaged in the business of agricultural production and marketing before the farm gate.

Project means the particular activity within the scope of the program supported by a grant award.

Project period means the period, as stated in the award document, during which Federal sponsorship begins and ends.

Qualified Public and Private Entities means public, not-for-profit, or private groups, organizations, or institutions that have established and demonstrated capacity to manage a cost reimbursement federally funded project and conduct projects that accomplish the purposes of the program as designated in the Extension Risk Management Education Program RFA.

Regions refers to (1) the Northeast Region consisting of the 12 northeast States and the District of Columbia (ME, VT, NH, MA, RI, CT, NY, NJ, PA, DE, MD, and WV) ; (2) the Southern Region consisting of 13 States plus Puerto Rico and the Virgin Islands (VA, NC, SC, KY, TN, GA, FL, AL, MS, LA, TX, AR, and OK); the North Central Region consisting of 12 States (OH, MI, IN, IL, MO, KS, IA, WI, MN, NE, SD, and ND); and the Western Region consisting of 12 States and the American Territories in the Pacific (HI, AK, WA, OR, CA, ID, NV, UT, AZ, MT, WY, CO, and NM).

Risk Management Result means expected measurable accomplishments that can be used to document the extent of producer risk management change brought about by a project.

Socially-disadvantaged (SDA) farmer, rancher, or agricultural producer is one of a group whose members have been subjected to racial, ethnic, or gender prejudice because of his or her identity as a member of the group without regard to his or her individual qualities. SDA groups are women, African Americans, American Indians, Alaskan Natives, Hispanics, Asian Americans and Pacific Islanders.

Special Emphasis Audiences are those farmers and ranchers identified in the 2008 Farm Bill for particular attention. Section 12026 of the Food, Conservation, and Energy Act of 2008 amends the ERME program by placing a special emphasis on risk management strategies, education, and outreach specifically directed to:

- A. Beginning farmers or ranchers;
- B. Legal-immigrant farmers or ranchers that are attempting to become established producers in the United States;
- C. Socially-disadvantaged farmers or ranchers;
- D. Farmers or ranchers who
 - a. are preparing to retire; and,
 - b. are using transition strategies to help new farmers or ranchers get started; and
- E. New or established farmers or ranchers that are converting production and marketing systems to pursue new markets.

Third party in-kind contributions means non-cash contributions of property or services provided by non-Federal third parties, including real property, equipment, supplies and benefiting and specifically identifiable to a funded project or program. Cost share or match is not required for Extension Risk Management Education grant programs and should not be listed or noted as such in the grant application budget or budget narrative.

Streamlining Policy

To streamline the awards process, NIFA may agree to modify requirements for the ERME program's proposal submission for sub-awards. Under a streamlining agreement, the Regional Center would no longer need to submit sub-award proposals and budgets to NIFA for approval and sub-award funds would not be withheld pending a NIFA approval. Instead, the Regional ERME Center is required to submit a listing of the selected proposals with identifying information outlined in the Streamlining section of this Handbook. The Authorized Organizational Representative of the host institution will be accountable for approving the sub-awards and the costs involved and to assure that the sub-awardees follow the appropriate regulations. The Regional ERME Center must maintain records with complete details of costs approved under these sub-awards for future audit purposes. An Administrative Review of the ERME program will be conducted at a future date to determine all applicable guidelines are being followed. Failure to comply could result in the cancellation of the streamlining agreement.