



DEPARTMENT OF AGRICULTURE

Rural Utilities Service

Notice of Available Funding and Grant Application Deadlines

AGENCY: Rural Utilities Service, USDA.

ACTION: Notice of Funding Availability.

SUMMARY: The Rural Utilities Service (RUS), an agency of the United States Department of Agriculture (USDA), announces the availability of \$17,531,000 in grant funds and solicitation of applications for the Distance Learning and Telemedicine (DLT) Grant Program for the Fiscal Year (FY) 2013 competition.

DATES: You may submit completed applications for grants on paper or electronically per the following deadlines:

- *Paper submissions:* Paper submissions must be postmarked and mailed, shipped, or sent overnight no later than **[INSERT DATE 45 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]** to be eligible for FY 2013 grant funding. Late or incomplete applications will not be eligible for FY 2013 grant funding.

- *Electronic submissions:* Electronic submissions must be received by **[INSERT DATE 45 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]** to be eligible for FY 2013 grant funding. Late or incomplete applications will not be eligible for FY 2013 grant funding.

ADDRESSES: Copies of the FY 2013 Application Guides and materials for the DLT grant program may be obtained at the following sources:

- (1) The DLT Web site: http://www.rurdev.usda.gov/UTP_DLResources.html and
- (2) You may also request application guides and materials from RUS by contacting the DLT Program at 202-720-0665.

Completed applications may be submitted in the following ways:

(1) *Paper:* Paper applications are to be submitted to the Rural Utilities Service, Telecommunications Program, 1400 Independence Ave., SW, Room 2845, STOP 1550, Washington, DC 20250-1550. Applications should be marked “Attention: Acting Director, Advanced Services Division.”

(2) *Electronic:* Electronic applications may be submitted through Grants.gov. Information on how to submit applications electronically is available on the Grants.gov website (<http://www.grants.gov>). Applicants must successfully pre-register with Grants.gov to use the electronic applications option. Application information may be downloaded from Grants.gov without preregistration.

FOR FURTHER INFORMATION CONTACT: Norberto Esteves, Acting Director,
Advanced Services Division, Telecommunications Programs, Rural Utilities Service.

Email: norberto.esteves@wdc.usda.gov Telephone: 202-720-0665, fax: 202-720-1051.

SUPPLEMENTARY INFORMATION:

Overview

Federal Agency: Rural Utilities Service (RUS)

Funding Opportunity Title: Distance Learning and Telemedicine Grants

Announcement Type: Notice of Solicitation of Applications

Catalog of Federal Domestic Assistance (CFDA) Number: 10.855

Dates: You may submit completed applications for grants on paper or electronically according to the following deadlines:

- Paper submissions must be postmarked and mailed, shipped, or sent overnight no later than **[INSERT DATE 45 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]** to be eligible for FY 2013 grant funding. Late or incomplete applications are not eligible for FY 2013 grant funding.
- Electronic copies must be received by **[INSERT DATE 45 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]** to be eligible for FY 2013 grant funding. Late or incomplete applications are not eligible for FY 2013 grant funding.

Items in Supplementary Information:

I. Funding Opportunity: Brief introduction to the DLT program.

II. Minimum and Maximum Application Amounts: Projected Available Funding.

III. Eligibility Information: Who is eligible, and what kinds of projects are eligible, what criteria determine basic eligibility.

IV. SUTA: The applicant needs to notify RUS that it is seeking consideration under the 7 CFR 1700, *Substantially Underserved Trust Areas* (the SUTA regulation) and identifies the discretionary authorities of the Secretary of Agriculture described in the SUTA regulation that it seeks to have applied to its application.

V. Application and Submission Information: Where to get application materials, what constitutes a completed application, how and where to submit applications, deadlines, and items that are eligible.

VI. Application Review Information: Considerations and preferences, scoring criteria, review standards, and selection information.

VII. Award Administration Information: Award notice information, award recipient and reporting requirements.

VIII. Agency Contacts: Web, phone, fax, email, contact name.

I. Funding Opportunity

DLT grants are specifically designed to provide access to education, training and health care resources for people in rural America.

The DLT Program provides financial assistance to encourage and improve telemedicine services and distance learning services in rural areas through the use of telecommunications, computer networks, and related advanced technologies to be used by students, teachers, medical professionals, and rural residents.

The grants, which are awarded through a competitive process, may be used to fund telecommunications-enabled information, audio and video equipment and related advanced technologies which extend educational and medical applications into rural locations. Grants are made for projects where the benefit is primarily delivered to end users that are not at the same location as the source of the education or health care service.

As in years past, the FY 2013 DLT Grant Application Guide has been updated based on program experience. All applicants should carefully review and prepare their applications according to instructions in the FY 2013 Application Guide and sample materials when compiling a DLT grant application.

The Agency notes that the Food, Conservation, and Energy Act of 2008 (Pub. L. 110-234) expressly added the category of libraries under Sec. 2333 (c)(1) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. Sec. 950aaa-2(a)(1)) to clearly establish that libraries are eligible to be recipients of DLT Loans and Grants. This confirms the longstanding Agency policy of considering libraries to be eligible entities under the DLT Program. The regulation for the DLT Grant Program can be found at 7 CFR 1703, subpart E.

II. Maximum and Minimum Amount of Applications

Under 7 CFR 1703.124, the Administrator has determined the maximum amount of a grant to be made available to an applicant in FY 2013 is \$500,000, and the minimum amount of a grant is \$50,000, subject to availability of funding.

The Agency will make awards and execute documents appropriate to the project prior to any advance of funds to successful applicants.

DLT grants cannot be renewed. Award documents specify the term of each award. The Agency will make awards and execute documents appropriate to the project prior to any advance of funds to successful applicants. Applications from existing DLT awardees are acceptable (grant applications must be submitted during the application window) and will be evaluated as new applications.

III. Eligibility Information

A. Who is eligible for a grant? (See 7 CFR 1703.103.)

1. Only entities legally organized as one of the following are eligible for DLT financial assistance:

- a. An incorporated organization or partnership,
- b. An Indian tribe or tribal organization, as defined in 25 USC 450b,
- c. A state or local unit of government,
- d. A consortium, as defined in 7 CFR 1703.102, or
- e. Other legal entity, including a private corporation organized on a for-profit

or not-for-profit basis.

2. Individuals are not eligible for DLT program financial assistance directly.

3. Electric and telecommunications borrowers under the Rural Electrification Act of 1936 (7 U.S.C. 950aaa et seq.) are not eligible for grants.
4. Corporations that have been convicted of a felony (or had an officer or agency acting on behalf of the corporation convicted of a felony) within the past 24 months are not eligible. Any corporation that has any unpaid federal tax liability that has been assessed, for which all judicial and administrative remedies have been exhausted or have lapsed, and that is not being paid in a timely manner pursuant to an agreement with the authority responsible for collecting the tax liability, is not eligible for financial assistance.

B. What are the basic eligibility requirements for a project?

1. Required matching contributions for grants: See 7 CFR 1703.125(g) and the FY 2013 Application Guide for information on required matching contributions.

- a. Grant applicants must demonstrate matching contributions, in cash or in kind (new, non-depreciated items), of at least fifteen (15) percent of the total amount of financial assistance requested. Matching contributions must be used for eligible purposes of DLT grant assistance (see 7 CFR 1703.121, paragraphs V.H.1.b of this Notice and the FY 2013 Application Guide).

- b. Greater amounts of eligible matching contributions may increase an applicant's score (see 7 CFR 1703.126(b)(4) and the FY 2013 Application Guide).

- c. Applications that do not provide evidence of the required fifteen percent match will be declared ineligible and returned unless a SUTA waiver of matching funds is granted . See paragraphs V.H.1.c and VI.B.2.c of this Notice, and the FY 2013 Application Guide for specific information on documentation of matching contributions.

d. Applications that do not document all matching contributions in form and substance satisfactory to the Agency as described in the Application Guide are subject to disallowance which may make an application ineligible for not meeting the minimum required match.

2. The DLT grant program is designed to bring the benefits of distance learning and telemedicine to residents of rural America (see 7 CFR 1703.103(a)(2)). Therefore, to be eligible, applicants must:

a. Operate a rural community facility; or

b. Deliver distance learning or telemedicine services to entities that operate a rural community facility or to residents of rural areas, at rates calculated to ensure that the benefit of the financial assistance is passed through to such entities or to residents of rural areas.

3. Rurality.

a. All projects proposed for DLT grant assistance must meet a minimum rurality threshold, to ensure that benefits from the projects flow to rural residents. The minimum eligibility score is 20 points.

b. Each application must apply the following criteria to each of its end-user sites, and hubs that are also proposed as end-user sites, to determine a rurality score. The rurality score is the average of all end-user sites' rurality scores.

Criterion	Character	Population	DLT Points
Exceptionally Rural Area	any area of the USA not included within the boundaries of any incorporated or unincorporated city, village, or borough having a population in excess of 5,000 inhabitants	≤ 5000	45
Rural Area	any area of the USA included within the boundaries of any incorporated or unincorporated city, village, or borough having a population over 5,000 and not in excess of 10,000 inhabitants	> 5000 and $\leq 10,000$	30
Mid-Rural Area	any area of the USA included within the boundaries of any incorporated or unincorporated city, village, or borough having a population over 10,000 and not in excess of 20,000 inhabitants	$>10,000$ and $\leq 20,000$	15
Urban Area	any area of the USA included within the boundaries of any incorporated or unincorporated city, village, or borough having a population in excess of 20,000 inhabitants	$> 20,000$	0

c. The rurality score is one of the competitive scoring criteria applied to grant applications.

4. Projects located in areas covered by the Coastal Barrier Resources Act (16 U.S.C. 3501 et seq.) are not eligible for financial assistance from the DLT Program. Please see 7 CFR 1703.123(a)(11), 7 CFR 1703.132(a)(5), and 7 CFR 1703.142(b)(3).

C. Where to find full discussion of a Complete Application. See Section V of this Notice and the FY 2013 Application Guide for a discussion of the items that comprise a complete application. For requirements of completed applications you may also refer to 7 CFR 1703.125 for grant applications. The FY 2013 Application Guide provides specific, detailed instructions for each item that constitutes a complete application. The Agency strongly emphasizes the importance of including every required item (as explained in the FY 2013 Application Guide) and strongly encourages applicants to follow the instructions carefully, using the examples and illustrations in the FY 2013 Application Guide. Applications which do not include all items that determine project

eligibility and applicant eligibility by the application deadline will be returned as ineligible. Scoring and eligibility information not provided by the application deadline will not be solicited or considered by the Agency. Applications that do not include all items necessary for scoring will be scored as is. Please see the FY 2013 Application Guide for a full discussion of each required item and for samples and illustrations.

IV. SUTA

The 2008 Farm Bill (Pub. L. 110-246, codified at 7 U.S.C. 906f), authorizes the Substantially Underserved Trust Areas (SUTA) provisions, as implemented by RUS as regulation 7 CFR 1700, *Substantially Underserved Trust Areas* (the SUTA regulation). Under the SUTA regulation, the applicant may request the Agency apply one or more SUTA provisions to its application. To receive consideration the applicant needs to submit to RUS a completed application in compliance with 7 CFR 1703 (the DLT regulation), and include a section requesting consideration under the SUTA regulation. This section notifies RUS that the applicant is seeking consideration under the SUTA regulation and identifies the discretionary authorities the Secretary of Agriculture described in the SUTA regulation - that it seeks to have applied to its application. In this section the applicant must include the information demonstrating eligibility for consideration under the SUTA regulation, and an explanation and documentation of the high need for the DLT benefits. RUS will review the application to determine whether the applicant is eligible to receive consideration under SUTA. RUS will notify the applicant in writing whether (1) the application is eligible to receive consideration under this subpart and if one or more SUTA requests are granted; or (2) the application is not

eligible to receive further consideration under the SUTA regulation. If the SUTA request is not granted, the applicant may withdraw its application or, if the application is still eligible without SUTA consideration, request that RUS treat its application as an ordinary application for processing. For more detailed guidance on how to apply for a grant under SUTA, please refer to the 2013 FY 2013 Application Guide available at http://www.rurdev.usda.gov/UTP_DLTResources.html .

V. Application and Submission Information

A. Where to get application information. FY 2013 Application Guides, copies of necessary forms and samples, and the DLT Program regulation are available from these sources:

1. The Internet: http://www.rurdev.usda.gov/UTP_DLTResources.html
2. The DLT Program for paper copies of these materials: 202-720-0665.

B. Emphasis in FY 2013

1. Applicants are reminded that the DLT Grant Program is intended to meet the educational and health care needs of rural America. Hub sites may be located in rural or non-rural areas, but end-user sites need to be located in rural areas. Non-fixed sites serving a geographical service area may include non-rural areas. However, for determining rurality and NSLP scores every incorporated and non-incorporated city, village or borough must be listed and scored accordingly, including those jurisdictions which are more populated than those defined as rural. The necessary inclusion of non-rural jurisdictions in these types of projects could cause a lower rurality score by virtue of the project's geographic and demographic layout. Because of this, the applicant should

make an effort to reveal how their project will focus the delivery of service to the rural residents of their service territory. From a competitive standpoint, applicants could offset the loss of rurality points by attempting to score higher in the subjective areas of needs and benefits, innovativeness, and cost effectiveness with well crafted narratives. The FY 2013 Application Guide contains language clarifying this provision of the regulation.

2. If a grant application includes a site that is included in any other DLT grant application for FY 2013, or a site that has been included in any DLT grant funded in FY 2012 or FY 2011, the application should contain a detailed explanation of the related applications or grants. The Agency must make a nonduplication finding for each grant approved, and apparent but unexplained duplication of funding for a site can prevent such a finding.

C. What constitutes a completed application?

1. For DLT Grants:

a. Detailed information on each item in the table in paragraph V.C.1.h of this Notice can be found in the sections of the DLT Program regulation listed in the table, and the DLT grant Application Guide. Applicants are strongly encouraged to read and apply both the regulation and the Applications Guide, which elaborates and explains the regulation.

(1) When the table refers to a narrative, it means a written statement, description or other written material prepared by the applicant, for which no form exists. The Agency recognizes that each project is unique and requests narratives to allow applicants to explain their request for financial assistance.

(2) When documentation is requested, it means letters, certifications, legal documents, or other third-party documentation that provide evidence that the applicant meets the listed requirement. For example, to confirm rurality scores, applicants can use printouts from the Website <http://factfinder2.census.gov/faces/nav/jsf/pages/index.xhtml>. Leveraging documentation generally will be letters of commitment from the funding sources. In-kind matches must be items purchased after the application deadline date that are essential to the project and documentation from the donor must demonstrate the relationship of each item to the project's function. Evidence of legal existence is sometimes proven by submitting articles of incorporation. The examples here are not intended to limit the types of documentation that must be submitted to fulfill a requirement. DLT Program regulations and the Application Guide provide specific guidance on each of the items in the table.

b. The DLT Application Guide and ancillary materials provide all necessary sample forms and worksheets.

c. While the table in paragraph V.C.1.h of this Notice includes all items of a completed application, the Agency may ask for additional or clarifying information for applications which, as submitted by the deadline, appear to clearly demonstrate that they meet eligibility requirements. The Agency will not solicit or accept eligibility or scoring information submitted after the application deadline.

d. Given the high volume of program interest, to expedite processing applicants are asked to submit the required application items in the order depicted in the FY 2013 Application Guide. The FY 2013 Application Guide specifies the format and order of all required items. Applications that are not assembled and tabbed in the order

specified prevent timely determination of eligibility. For applications with inconsistency among submitted copies, the Agency will base its evaluation on the original signed application received by the Agency.

e. DUNS Number. The applicant for a grant must supply a Dun and Bradstreet Data Universal Numbering System (DUNS) number as part of an application. The Standard Form 424 (SF-424) contains a field for the DUNS number. The applicant can obtain the DUNS number free of charge by calling Dun and Bradstreet. Please see <http://fedgov.dnb.com/webform> for more information on how to obtain a DUNS number or how to verify your organization's number.

f. Prior to submitting an application, the applicant must register in the System for Award Management (SAM) (formerly Central Contractor Registry, (CCR)).

(1) Applicants may register for the SAM at <https://www.sam.gov/portal/public/SAM/>.

(2) The SAM registration must remain active with current information at all times while RUS is considering an application or while a Federal Grant Award or loan is active. To maintain the registration in the SAM database the applicant must review and update the information in the SAM database annually from date of initial registration or from the date of the last update. The applicant must ensure that the information in the database is current, accurate, and complete.

g. Compliance with other federal statutes. The applicant must provide evidence of compliance with other federal statutes and regulations, including, but not limited to the following:

(1) 7 CFR part 15, subpart A—Nondiscrimination in Federally Assisted Programs of the Department of Agriculture—Effectuation of Title VI of the Civil Rights Act of 1964.

(2) 7 CFR part 3015—Uniform Federal Assistance Regulations.

(3) 7 CFR part 3017— Government-wide Debarment and Suspension (Non-procurement).

(4) 7 CFR part 3018—New Restrictions on Lobbying.

(5) 7 CFR part 3021—Government-wide Requirements for Drug-Free Workplace.

h. Table of Required Elements of a Completed Grant Application.

Application Item	REQUIRED Items, unless otherwise noted	
	Grants (7 CFR 1703.125 and 7 CFR 1703.126)	Comment
SF-424 (Application for Federal Assistance form)	Yes	<u>Completely</u> filled out
Site Worksheet	Yes	Agency worksheet
Survey on Ensuring Equal Opportunity for Applicants	Optional	OMB Form
Evidence of Legal Authority to Contract with the Government	Yes	Documentation
Evidence of Legal Existence	Yes	Documentation
Executive Summary	Yes	Narrative
Telecommunications System Plan and Scope of Work	Yes	Narrative & documentation such as maps and diagrams
Budget	Yes	Agency Worksheets with documentation
Financial Information/Sustainability	Yes	Narrative
Statement of Experience	Yes	Narrative 3-page, single-spaced limit
Rurality Worksheet	Yes	Agency worksheet with documentation

Application Item	REQUIRED Items, unless otherwise noted	
	Grants (7 CFR 1703.125 and 7 CFR 1703.126)	Comment
National School Lunch Program (NSLP) Worksheet	Yes	Agency worksheet with documentation
Leveraging Evidence and Funding Commitments from all Sources	Yes	Agency worksheet and source documentation
Empowerment Zone designation	Yes	Documentation
Request for Additional NSLP	Optional	Agency Worksheet and narrative
Request for SUTA information	Optional	Application Guide
Need for and Benefits derived from Project	Yes	Narrative & documentation
Innovativeness of the Project	Yes	Narrative & documentation
Cost Effectiveness of Project	Yes	Narrative & documentation
Consultation with the USDA State Director, Rural Development, and evidence that application conforms to State Strategic Plan, if any.	Yes	Documentation
Certifications		
Equal Opportunity and Nondiscrimination	Yes	Form provided in FY 2013 Application Tool Kit
Architectural Barriers	Yes	Form provided in FY 2013 Application Tool Kit
Flood Hazard Area Precautions	Yes	Form provided in FY 2013 Application Tool Kit
Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970	Yes	Form provided in FY 2013 Application Tool Kit
Drug-Free Workplace	Yes	Form provided in FY 2013 Application Tool Kit
Debarment, Suspension, and Other Responsibility Matters—Primary Covered Transactions	Yes	Form provided in FY 2013 Application Tool Kit
Lobbying for Contracts, Grants, Loans, and Cooperative Agreements	Yes	Form provided in FY 2013 Application Tool Kit
Non-Duplication of Services	Yes	Form provided in FY 2013 Application Tool Kit
Environmental Impact/Historic Preservation Certification	Yes	Form provided in FY 2013 Application Tool Kit
Assurance Regarding Felony Conviction or Tax Delinquent Status for Corporate Applicants	Yes	Form provided in the FY 2013 Application Tool Kit.

D. How many copies of an application are required?

1. Applications submitted on paper.

a. Submit the original application and two (2) copies to RUS; and

b. Submit one (1) additional copy to the state government single point of contact (if one has been designated) at the same time as you submit the application to the Agency for the State where the project is located. If the project is located in more than one State, submit a copy to each state government single point of contact. See http://www.whitehouse.gov/omb/grants_spoc for an updated listing of State government single points of contact.

2. Electronically submitted applications. Grant applications may be submitted electronically. Please carefully read the FY 2013 Application Guide for guidance on submitting an electronic application. In particular, we ask that you identify and number each page in the same way you would a paper application so that we can assemble them as you intended.

a. The additional paper copy is not necessary if you submit the application electronically through Grants.gov.

b. Submit one (1) copy to the state government single point of contact (if one has been designated) at the same time as you submit the application to the Agency. If the project is located in more than one State, submit a copy to each state government single point of contact. See http://www.whitehouse.gov/omb/grants_spoc for an updated listing of State government single points of contact.

E. *How and where to submit an application.* Grant applications may be submitted on paper or electronically.

1. Submitting applications on paper.

a. Address paper applications to the Telecommunications Program, RUS, United States Department of Agriculture, 1400 Independence Ave., SW, Room 2845, STOP 1550, Washington, DC 20250-1550. Applications should be marked “Attention: Acting Director, Advanced Services Division.”

b. Paper grant applications must show proof of mailing or shipping by the deadline consisting of one of the following:

(i) A legibly dated U.S. Postal Service (USPS) postmark;

(ii) A legible mail receipt with the date of mailing stamped by the USPS;

or

(iii) A dated shipping label, invoice, or receipt from a commercial carrier.

c. Due to screening procedures at the Department of Agriculture, packages arriving via regular mail through the USPS are irradiated, which can damage the contents and delay delivery to the DLT Program. RUS encourages applicants to consider the impact of this procedure in selecting their application delivery method.

2. Electronically submitted applications.

a. Applications will not be accepted via fax or electronic mail.

b. Electronic applications for grants will be accepted if submitted through the Federal government’s Grants.gov initiative at <http://www.grants.gov/>

c. How to use Grants.gov.

(i) Grants.gov contains full instructions on all required passwords, credentialing and software.

(ii) System for Award Management. Submitting an application through Grants.gov requires that your organization list in the System for Award Management (SAM) (formerly Central Contractor Registry, CCR). The Agency strongly recommends that you obtain your organization's DUNS number and SAM listing well in advance of the deadline specified in this notice.

(iii) Credentialing and authorization of applicants. Grants.gov will also require some credentialing and online authentication procedures. These procedures may take several business days to complete, further emphasizing the need for early action by applicants to complete the sign-up, credentialing and authorization procedures at Grants.gov before you submit an application at that Web site.

(iv) Some or all of the SAM and Grants.gov registration, credentialing and authorizations require updates. If you have previously registered at Grants.gov to submit applications electronically, please ensure that your registration, credentialing and authorizations are up to date well in advance of the grant application deadline.

d. RUS encourages applicants who wish to apply through Grants.gov to submit their applications in advance of the deadlines.

e. If a system problem occurs or you have technical difficulties with an electronic application, please use the customer support resources available at the Grants.gov Web site.

F. Deadlines.

1. Paper grant applications must be postmarked and mailed, shipped, or sent overnight no later than **[INSERT DATE 45 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]** to be eligible for FY 2013 grant funding. Late applications, applications which do not include proof of mailing or shipping as described in paragraph V.E.1.b., and incomplete applications are not eligible for FY 2013 grant funding.

2. Electronic grant applications must be received by **[INSERT DATE 45 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]** to be eligible for FY 2013 funding. Late or incomplete applications will not be eligible for FY 2013 grant funding.

G. Intergovernmental Review. The DLT grant program is subject to Executive Order 12372, “Intergovernmental Review of Federal Programs.” As stated in paragraph V.D.1 of this Notice, a copy of a DLT grant application must be submitted to the state single point of contact if one has been designated. Please see http://www.whitehouse.gov/omb/grants_spoc to determine whether your state has a single point of contact.

H. Funding Restrictions.

1. Eligible purposes.

a. For grants, rural end-user sites may receive financial assistance; hub sites (rural or non-rural) may also receive financial assistance if they are necessary to provide DLT services to end-user sites. Please see the Application Guide and 7 CFR 1703.101(h).

b. To fulfill the policy goals laid out for the DLT Program in 7 CFR 1703.101, the following table lists purposes for financial assistance and whether each purpose is generally considered to be eligible for the form of financial assistance. Please consult the FY 2013 Application Guide and the regulations (7 CFR 1703.102) for definitions, in combination with the portions of the regulation cited in the table) for detailed requirements for the items in the table. RUS strongly recommends that applicants exclude ineligible items from the grant and match portions of grant application budgets. However, some items ineligible for funding or matching contributions may be vital to the project. RUS encourages applicants to document those costs in the application's budget. Please see the FY 2013 Application Guide for a recommended budget format, and detailed budget compilation instructions.

	Grants
Lease or purchase of new eligible DLT equipment and facilities.	Yes, equipment only
Acquire new instructional programming that is capital asset.	Yes
Technical assistance, develop instructional material for the operation of the equipment, and engineering or environmental studies in the implementation of the project	Yes, up to 10% of the grant
Telemedicine or distance learning equipment or facilities necessary to the project.	Yes
Vehicles using distance learning or telemedicine technology to deliver services.	No
Teacher-student links located at the same facility	No
Links between medical professionals located at the same facility	No
Site development or building alteration, except for equipment installation and associated inside wiring.	No
Land or building purchase	No
Building Construction	No
Acquiring telecommunications transmission facilities.	No

	Grants
Internet services, telecommunications services or other forms of connectivity.	No
Salaries, wages, benefits for medical or educational personnel.	No
Salaries or administrative expenses of applicant or project.	No
Recurring project costs or operating expenses.	No, (equipment & facility leases are not recurring project costs)
Equipment to be owned by the LEC or other telecommunications service provider, if the provider is the applicant.	No
Duplicative distance learning or telemedicine services.	No
Any project that for its success depends on additional DLT financial assistance or other financial assistance that is not assured.	No
Application Preparation Costs.	No
Other project costs not in regulation.	No
Cost (amount) of facilities providing distance learning broadcasting.	No
Reimburse applicants or others for costs incurred prior to RUS receipt of completed application.	No

c. Discounts. The DLT Program regulation has long stated that manufacturers' and service providers' discounts are not eligible matches. The Agency will not consider as eligible any proposed match from a vendor, manufacturer, or service provider whose products or services will be used in the DLT project as described in the application. In recent years, the Agency has noted a trend of vendors, manufacturers, and other service providers offering their own products and services as in-kind matches for a project when their products or services will also be purchased with either grant or cash match funds for that project. Such activity is a discount and is therefore not an eligible match. Similarly, if a vendor, manufacturer, or other service provider proposes a cash match (or any in-kind match) when their products or services will be purchased with grant or match funds, such activity is a discount and is not an eligible match. The Agency actively discourages such matching proposals and will adjust budgets as necessary to remove any such matches,

which may reduce an application's score or result in the application's ineligibility due to insufficient match.

2. Eligible Equipment & Facilities. Please see the FY 2013 Application Guide for more information regarding eligible and ineligible items. In addition, see 7 CFR 1703.102 for definitions of eligible equipment, eligible facilities, and telecommunications transmission facilities as used in the table above.

3. Apportioning budget items. Many DLT applications propose to use items for a blend of specific DLT eligible project purposes and other purposes. RUS will consider funding such items in the overall context of the project, but such items will affect the competitive value of the project compared with other projects. The proposed project could receive a lower score in the subjective areas of the grant to the extent that its budget requests items that have limited or questionable value to the purposes of distance learning or telemedicine. See the FY 2013 Application Guide for detailed information on how to apportion use and apportioning illustrations.

VI. Application Review Information

A. Special considerations or preferences.

1. American Samoa, Guam, Virgin Islands, and Northern Mariana Islands applications are exempt from the matching requirement up to a match amount of \$200,000 (see 48 U.S.C. 1469a; 91 Stat. 1164).

2. 7 CFR 1703.112 directs that RUS Telecommunications Borrowers receive expedited consideration of a loan application or advance under the Rural Electrification

Act of 1936 (7 U.S.C. 901-950aa, et. seq.) if the loan funds in question are to be used in conjunction with a DLT grant (See 7 CFR 1737 for loans and 7 CFR 1744 for advances).

B. Criteria.

1. Grant application scoring criteria (total possible points: 215). See 7 CFR 1703.125 for the items that will be reviewed during scoring, and 7 CFR 1703.126 for scoring criteria.

2. Grant applications are scored competitively subject to the criteria listed below.

a. *Rurality* category - Rurality of the proposed service area (up to 45 points).

b. *NSLP* category - percentage of students eligible for the NSLP in the proposed service area (up to 35 points).

c. *Leveraging* category - matching funds above the required matching level (up to 35 points).

d. Need for services proposed in the application and the benefits that will be derived if the application receives a grant (up to 55 points).

(i) *Additional NSLP* category - up to 10 of the possible 55 possible points are to recognize economic need not reflected in the project's National School Lunch Program (NSLP) score, and can be earned only by applications whose overall NSLP eligibility is less than 50%. To be eligible to receive points under this, the application must include an affirmative request for consideration of the possible 10 points, and compelling documentation of reasons why the NSLP eligibility percentage does not represent the economic need of the proposed project beneficiaries.

(ii) *Needs and Benefits* category - up to 45 of the 55 possible points under this criterion are available to all applicants. Points are awarded based on the required

narrative crafted by the applicant. RUS encourages applicants to carefully read the cited portions of the Program regulation and the FY 2013 Application Guide for full discussions of this criterion.

e. Innovativeness category - level of innovation demonstrated by the project (up to 15 points).

f. Cost Effectiveness category - system cost-effectiveness (up to 35 points).

C. Grant Review standards.

1. In addition to the scoring criteria that rank applications against each other, the Agency evaluates grant applications for possible awards on the following items, according to 7 CFR 1703.127:

a. Financial feasibility.

b. Technical considerations. If the application contains flaws that would prevent the successful implementation, operation or sustainability of a project, the Agency will not award a grant.

c. Other aspects of proposals that contain inadequacies that would undermine the ability of the project to comply with the policies of the DLT Program.

2. Applications which do not include all items that determine project eligibility and applicant eligibility by the application deadline will be returned as ineligible. Applications that do not include all items necessary for scoring will be scored as is. Please see the FY 2013 Application Guide for a full discussion of each required item and for samples and illustrations. The Agency will not solicit or consider eligibility or scoring information submitted after the application deadline.

3. The FY 2013 grant Application Guide specifies the format and order of all required items.

4. Most DLT grant projects contain numerous project sites. The Agency requires that site information be consistent throughout an application. Sites must be referred to by the same designation throughout all parts of an application. The Agency has provided a site worksheet that requests the necessary information, and can be used as a guide by applicants. RUS strongly recommends that applicants complete the site worksheet, listing all requested information for each site. Applications without consistent site information will be returned as ineligible.

5. As stated above, DLT grant applications which have non-fixed end-user sites, such as ambulance and home health care services, are scored according to the applicant's entire service area. See the FY 2013 Application Guide for specific guidance on preparing an application with non-fixed end users.

D. Selection Process. Grants applications are ranked by final score. RUS selects applications based on those rankings, subject to the availability of funds. RUS may allocate grant awards between medical and educational purposes, but is not required to do so. In addition, the Agency has the authority to limit the number of applications selected in any one state, or for one project, during a fiscal year. See 7 CFR 1703.127.

VII. Award Administration Information

A. Award Notices

RUS generally notifies by mail applicants whose projects are selected for awards. The Agency follows the award letter with an agreement that contains all the terms and

conditions for the grant. A copy of the standard agreement is posted on the RUS Web site at http://www.rurdev.usda.gov/UTP_DLTResources.html . An applicant must execute and return the agreement, accompanied by any additional items required by the agreement, within the number of days shown in the selection notice letter.

B. Administrative and National Policy

Requirements The items listed in Section V of this notice, the DLT Program regulation, FY 2013 Application Guide and accompanying materials implement the appropriate administrative and national policy requirements.

C. Reporting

1. Performance reporting. All recipients of DLT financial assistance must provide annual performance activity reports to RUS until the project is complete and the funds are expended. A final performance report is also required; the final report may serve as the last annual report. The final report must include an evaluation of the success of the project in meeting DLT Program objectives. *See* 7 CFR 1703.107.

2. Financial reporting. All recipients of DLT financial assistance must provide an annual audit, beginning with the first year in which a portion of the financial assistance is expended. Audits are governed by United States Department of Agriculture audit regulations. Please *see* 7 CFR 1703.108.

3. Recipient and Subrecipient Reporting. The applicant must have the necessary processes and systems in place to comply with the reporting requirements for first-tier sub-awards and executive compensation under the Federal Funding Accountability and Transparency Act of 2006 in the event the applicant receives funding unless such applicant is exempt from such reporting requirements pursuant to 2 CFR part 170, §

170.110(b). The reporting requirements under the Transparency Act pursuant to 2 CFR part 170 are as follows:

a. First Tier Sub-Awards of \$25,000 or more in non-Recovery Act funds (unless they are exempt under 2 CFR part 170) must be reported by the Recipient to <http://www.fsrs.gov> no later than the end of the month following the month the obligation was made. Please note that currently underway is a consolidation of eight federal procurement systems, including the Sub-award Reporting System (FSRS), into one system, the System for Award Management (SAM). As result the FSRS will soon be consolidated into and accessed through <https://www.sam.gov/portal/public/SAM/>.

b. The Total Compensation of the Recipient's Executives (5 most highly compensated executives) must be reported by the Recipient (if the Recipient meets the criteria under 2 CFR part 170) to <https://www.sam.gov/portal/public/SAM/> by the end of the month following the month in which the award was made.

c. The Total Compensation of the Subrecipient's Executives (5 most highly compensated executives) must be reported by the Subrecipient (if the Subrecipient meets the criteria under 2 CFR part 170) to the Recipient by the end of the month following the month in which the subaward was made.

4. Record Keeping and Accounting.

The grant contract will contain provisions relating to record keeping and accounting requirements.

VIII. Agency Contacts

A. *Web site:* http://www.rurdev.usda.gov/UTP_DLT.html. The DLT Web site maintains up-to-date resources and contact information for DLT programs.

B. *Telephone*: 202-720-0665

C. *Fax*: 202-720-1051

D. *Email*: dltinfo@wdc.usda.gov

E. *Main point of contact*: Norberto Esteves, Acting Director, Advanced Services
Division, Telecommunications Program, Rural Utilities Service.

Dated: June 24, 2013

John Charles Padalino,
Administrator
Rural Utilities Service

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