

UNITED STATES DEPARTMENT OF AGRICULTURE
FOOD AND NUTRITION SERVICE PROGRAMS

ASSISTANCE LISTING 10.551 SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM (SNAP) – Note (1)

ASSISTANCE LISTING 10.553 SCHOOL BREAKFAST PROGRAM (SBP)

ASSISTANCE LISTING 10.555 NATIONAL SCHOOL LUNCH PROGRAM (NSLP)

ASSISTANCE LISTING 10.557 SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANT, AND CHILDREN (WIC)

ASSISTANCE LISTING 10.558 CHILD AND ADULT CARE FOOD PROGRAM

ASSISTANCE LISTING 10.559 SUMMER FOOD SERVICE PROGRAM (SFSP)

ASSISTANCE LISTING 10.572 FARMER’S MARKET NUTRITION PROGRAM (FMNP) – Note (1)

Note:

- (1) FMNP is not included in the Compliance Supplement. However, FMNP is listed in this document due to COVID-related waivers and flexibilities impacting FMNP.

The programs listed above are impacted by the COVID-19 waivers.

Pursuant to the Families First Coronavirus Response Act (the Act) (Pub. L. No. 116-127), and in light of the exceptional circumstances of this public health emergency, the Food and Nutrition Service (FNS) is granting several waivers for the aforementioned programs to ease program operations at the state and local levels and minimize the potential exposure to the novel coronavirus (COVID-19).

To view a complete portfolio of waivers, their descriptions, and states electing or requesting to implement these waivers, please go to <https://www.fns.usda.gov/disaster/pandemic/covid-19>. Each individual waiver contains a link to view the full description along with each state approved to implement the waiver. In addition, copies of individual state waivers are available at the links for each state.

For auditing purposes during this public health emergency, it is recommended that the audit community obtain the list of waivers from the audited state agency and local agency and adapt the audit test steps to reflect these flexibilities. Each waiver offered has reporting requirements that must be adhered to by the state agency. For example, pursuant to section 2202(d) of the Act, each state that elects to be subject to a waiver under section 2202(a)(b)(c) must submit a report to the secretary not later than one year after the date such state received the waiver. The report must include: (1) a summary of the use of this waiver by the state agency and local program operators; and (2) a description of whether and how this waiver resulted in improved services to program participants. Although there is no requirement for auditors to test reporting requirements for waivers applied by the state agency, auditors should be aware of this reporting requirement for each waiver exercised by the state agency. Documentation must be maintained by the state

agency summarizing the use of each waiver and how each waiver improved its services to program participants.

In addition, the 2021 Compliance Supplement for the FNS programs listed in this document contain the procedures that auditors would normally follow during customary program operations. Due to COVID-19 and the subsequent closures, as in the case of the public schools, FNS would expect instances when it is not possible to perform certain audit steps as written in the Compliance Supplement. Such instances should be documented by the auditors.

Questions regarding this document should be directed to FNS's Office of Financial Management, Office of Internal Controls, Audits, and Investigations at jon.garcia@usda.gov.

UNITED STATES DEPARTMENT OF AGRICULTURE

ASSISTANCE LISTING 10.500 COOPERATIVE EXTENSION SERVICE

I. PROGRAM OBJECTIVES

The National Institute of Food and Agriculture (NIFA) provides formula grant funds to the 1862 land-grant institutions and the 1890 land-grant institutions for cooperative agricultural extension work, which consists of the development of practical applications of research knowledge and practical demonstrations of existing or improved practices or technologies in agriculture, home economics, and rural energy, and related subjects to persons not attending or resident in colleges.

II. PROGRAM PROCEDURES

The Cooperative State Research, Education, and Extension Service (CSREES) became the NIFA on October 1, 2009, per Section 7511(a)(4) of the Food, Conservation, and Energy Act (FCEA) of 2008 (Pub. L. No. 110-246). All authorities of CSREES were transferred to NIFA.

The First Morrill Act of 1862 provided for the establishment of the 1862 land-grant institutions, which are located in the 50 states, the District of Columbia, the Commonwealth of Puerto Rico, and the insular areas of American Samoa, Guam, Micronesia, Northern Marianas, and the Virgin Islands. The Second Morrill Act of 1890 provided for the support of the 1890 land-grant institutions, including Tuskegee University, West Virginia State University, and Central State University, which are located in 18 states.

The 1862 land-grant institutions receive formula grant funds for cooperative extension work under sections 3(b) and (c) of the Smith-Lever Act (7 USC 343(b) and (c)) and the 1890 land-grant institutions, including Tuskegee University and West Virginia State University, receive formula grant funds for cooperative extension work under Section 1444 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (NARETPA). The only exception is the District of Columbia, which receives extension funds under the District of Columbia Public Postsecondary Education Reorganization Act, Pub. L. No. 93-471, as opposed to sections 3(b) and (c) of the Smith-Lever Act.

Funds are allocated to the land-grant institutions based on specified formulas. These formulas are based on the farm and rural populations of each state and include an equal portion distributed to all eligible institutions. These funds support the activities commonly referred to as “base programs.”

Formula funds are also provided to the 1862 and 1890 land-grant institutions under Section 3(d) of the Smith-Lever Act for the Expanded Food and Nutrition Education Program (EFNEP), which is authorized under Section 1425 of NARETPA. These funds are made available to the 1862 and 1890 land-grant institutions in the 50 states, the District of Columbia, the Commonwealth of Puerto Rico, and the insular areas of American Samoa, Guam, Micronesia, Northern Marianas, and the Virgin Islands. To enable low-income individuals and families to engage in nutritionally sound food purchasing and preparation practices, EFNEP provides for employment and training of professional and paraprofessional aides to engage in direct nutrition education of low-income families and in other appropriate nutrition education programs. To the

maximum extent practicable, program aides are hired from the indigenous target population. Section 7403 of the FCEA amended Section 3(d) of the Smith-Lever Act to provide 1890 institutions and the 1862 institution in the District of Columbia full eligibility to receive funds authorized under Section 3(d) of the Smith-Lever Act (7 USC 343(d)), including EFNEP funds.

The 1862 and the 1890 land-grant institutions are required to submit a 5-Year Plan of Work that describes the extension programs that they intend to administer (7 USC 344 and 3221). Final Revised Guidelines for State Plans of Work for the Agricultural Research and Extension Formula Funds (Guidelines) were published in the *Federal Register* on January 25, 2006, 71 FR 4101-4112. Information about Plans of Work, including previously approved plans, can be found at <https://nifa.usda.gov/tool/pow>.

Source of Governing Requirements

The laws governing this program are codified at 7 USC 301-349, 3221, 3222, 3222d, and 3319.

Availability of Other Program Information

Additional program information is available from the NIFA website at <http://www.nifa.usda.gov>.

III. COMPLIANCE REQUIREMENTS

In developing the audit procedures to test compliance with the requirements for this federal program, the auditor must determine, from the following summary (also included in Part 2, “Matrix of Compliance Requirements”), which of the 12 types of compliance requirements have been identified as subject to the audit (noted with a “Y” in the summary matrix below), and then determine which of the compliance requirements that are subject to the audit are likely to have a direct and material effect on the federal program at the auditee. For each such compliance requirement subject to the audit, the auditor must use Part 3 (which includes generic details about each compliance requirement other than Special Tests and Provisions) and this program supplement (which includes any program-specific requirements) to perform the audit. When a compliance requirement is shown in the summary below as “N,” it has been identified as not being subject to the audit. Auditors are not expected to test requirements that have been noted with an “N.” See the Safe Harbor Status discussion in Part 1 for additional information.

A	B	C	E	F	G	H	I	J	L	M	N
Activities Allowed or Unallowed	Allowable Costs/Cost Principles	Cash Management	Eligibility	Equipment/Real Property Management	Matching, Level of Effort, Earmarking	Period Of Performance	Procurement Suspension & Debarment	Program Income	Reporting	Subrecipient Monitoring	Special Tests and Provisions
Y	Y	N	N	N	Y	Y	N	N	Y	Y	N

A. Activities Allowed or Unallowed

1. Formula grant funds may be spent only for the furtherance of cooperative extension work and according to the 5-Year Plan of Work approved by NIFA (7 USC 344 and 3221(d)). This 5-Year Plan of Work may be integrated with the research component of the land-grant institution, which is funded under the Hatch Act, and/or the 5-Year Plan of Work may be a joint plan between an 1862 land-grant institution and an 1890 land-grant institution if they are both located in the same state (see Section II.A.1, of the Guidelines, 71 FR 4108).
2. No portion of Smith-Lever Act funds and Section 1444 funds of NARETPA may be applied directly or indirectly “to the purchase, erection, preservation or repair of any building or buildings, or the purchase or rental of land” (7 USC 345 and 3221(e)).
3. No portion of Smith-Lever Act funds and Section 1444 funds under NARETPA may be applied directly or indirectly in college course teaching or lectures in college (7 USC 345 and 3221(e)).

B. Allowable Costs/Cost Principles

1. *Indirect Costs* – No indirect costs or tuition remission may be charged against the formula grant funds authorized under the Smith-Lever Act or under Section 1444 of NARETPA (7 USC 3319).
2. *Retirement Contributions* – Retirement and pension contributions paid from grant funds for individuals whose salaries are paid in whole or in part with grant funds are capped at 5 percent. The deposits and contributions of federal origin must be at least equaled by the grantee (7 USC 331).

G. Matching, Level of Effort, Earmarking**1. Matching**

- a. *1862 Land-Grant Institutions in the 50 States* – All formula funds provided to the 1862 land-grant institutions in the 50 states under sections 3(b) and (c) of the Smith-Lever Act must be 100 percent matched. In-kind contributions are not allowed as match for formula funds authorized under sections 3(b) and (c) of the Smith-Lever Act (7 USC 343(e)). Funds provided under Section 3(d) of the Smith-Lever Act (7 USC 343(d)) for EFNEP do not require any matching contributions (7 USC 3175).
- b. *1862 Land-Grant Institution in the District of Columbia* – Effective December 20, 2019, Section 508 of the Agricultural Improvement Act of 2018 (Pub. L. No. 115-334) reinstated the 100 percent match requirement for funds awarded to 1862 land-grant institutions in the District of Columbia. Funds provided under Section 3(d) of the Smith-Lever Act (7

USC 343(d)) for EFNEP do not require any matching contributions (7 USC 3175).

- c. *1862 Land-Grant Institutions in the Commonwealth of Puerto Rico and the insular areas of American Samoa, Guam, Micronesia, Northern Marianas, and the Virgin Islands* – The Commonwealth of Puerto Rico and the insular areas must meet a 50 percent matching requirement of the federal formula funds (7 USC 343(e)(4) and 7 USC 301 (note)). The Secretary of Agriculture may waive the matching funds requirement for any fiscal year if the secretary determines that the government of the insular area will be unlikely to meet the matching requirement for the fiscal year (7 USC 343(e)(4)). “Matching funds” means cash contributions and excludes in-kind matching contributions. Matching funds must be used to support research and extension activities as identified in the approved 5-Year Plan of Work (7 USC 343(e); 7 CFR Part 3419).
- d. *1890 Land-Grant Institutions, including Tuskegee University and West Virginia State University* – Recipients must match 100 percent of federal funds from nonfederal sources. These land-grant institutions may apply for a waiver of the matching funds requirement in excess of 50 percent for any fiscal year. “Matching funds” means cash contributions and excludes in-kind matching contributions. Matching funds must be used to support research and extension activities as identified in the approved 5-Year Plan of Work or for approved qualifying educational activities. Matching funds must be available in the same federal fiscal year as the federal funds. 1890 Land-Grant Institutions, including Tuskegee University, West Virginia State University, and Central State University, may carryover matching funds from one fiscal year to the following fiscal year (7 USC 3222d and 7 CFR Part 3419). Funds provided under Section 3(d) of the Smith-Lever Act (7 USC 343(d)) for EFNEP do not require any matching contributions (7 USC 3175).

2. Level of Effort

Not Applicable

3. Earmarking

Not Applicable

H. Period of Performance

Smith-Lever Act formula funds distributed to the 1862 land-grant institutions may be carried forward five years from the year allocated. For Section 1444 of NARETPA funds allocated to the 1890 land-grant institutions, including Tuskegee University, West Virginia State University, and Central State University, effective beginning on December 20, 2018, Section 7114 of the Agriculture Improvement Act of 2018 (Pub. L. No. 115-334) removed language in the authorization that had previously limited institutions to

carrying over no more than 20 percent of their annual Section 1444 allocation to the following fiscal year. As a result, beginning with the fiscal year (FY) 2019 funding, institutions will be allowed to carry as much as 100 percent of their annual Section 1444 allocation over to the following fiscal year.

L. Reporting

1. Financial Reporting

- a. *SF-270, Request for Advance or Reimbursement* – Not Applicable
- b. *SF-271, Outlay Report and Request for Reimbursement for Construction Programs* – Not Applicable
- c. *SF-425, Federal Financial Report* – Applicable

2. Performance Reporting

Not Applicable

3. Special Reporting

Not Applicable

4. Special Reporting for Federal Funding Accountability and Transparency Act

See Part 3.L for audit guidance.

UNITED STATES DEPARTMENT OF AGRICULTURE

ASSISTANCE LISTING 10.511 SMITH-LEVER 3(b) AND 3(c), SMITH-LEVER SPECIAL NEEDS, and UNIVERSITY OF DISTRICT OF COLUMBIA PUBLIC POSTSECONDARY EDUCATION REORGANIZATION ACT PROGRAM

I. PROGRAM OBJECTIVES

The National Institute of Food and Agriculture (NIFA) provides capacity and non-capacity grant funds to the 1862 land-grant institutions and the 1890 land-grant institutions for cooperative agricultural extension work. The objective of cooperative extension work is to provide nonformal education and learning activities to people throughout the country—to farmers and other residents of rural communities as well as to people living in urban areas. It emphasizes taking knowledge gained through research and education and bringing it directly to the people to create positive changes.

II. PROGRAM PROCEDURES

A. Overview

In 1914, the Smith Lever Act formalized cooperative extension by establishing USDA's partnership with land-grant universities (LGUs) to apply research and provide education in agriculture. Since its inception, cooperative extension has broadened its impact from rural communities to having a strong presence in America's urban and suburban areas. Extension agents continue to help farmers and ranchers achieve greater success while assisting families with nutrition and home economics and preparing today's youth to become future leaders. Cooperative extension's activities are funded by many of NIFA's capacity and non-capacity grants. These capacity grants provide support for NIFA's extension activities at land-grant institutions through grants to the states on the basis of statutory formulas. Eligibility for funding is limited to institutions that are identified in both Morrill Acts of 1862 and 1890.

The First Morrill Act of 1862 provided for the establishment of the 1862 land-grant institutions that are located in the 50 states, the District of Columbia, the Commonwealth of Puerto Rico, and the insular areas of American Samoa, Guam, Micronesia, Northern Marianas, and the Virgin Islands. The Second Morrill Act of 1890 provided for the support of the 1890 land-grant institutions, including Tuskegee University, West Virginia State University, and Central State University, which are located in 18 states. The 1862 land-grant institutions receive formula grant funds for cooperative extension work under sections 3(b) and (c) of the Smith-Lever Act (7 USC 343(b) and (c)) and the 1890 land-grant institutions, including Tuskegee University and West Virginia State University, receive formula grant funds for cooperative extension work under Section 1444 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (NARETPA). The only exception is the District of Columbia, which receives extension funds under the District of Columbia Public Postsecondary Education Reorganization Act, Pub. L. No. 93-471, as opposed to sections 3(b) and (c) of the Smith-Lever Act. Section 7403 of the Food, Conservation, and Energy Act (FCEA) amended Section 3(d)

of the Smith-Lever Act to provide 1890 institutions and the 1862 institution in the District of Columbia full eligibility to receive funds authorized under Section 3(d) of the Smith-Lever Act (7 USC 343(d)), including Expanded Food and Nutrition Education Program (EFNEP) and Children, Youth, and Families At-Risk (CYFAR) funds.

B. Subprograms/Program Elements

The Smith-Lever 3(b) and 3(c) and Smith-Lever Special Needs Programs

The Smith-Lever 3(b) and 3(c) and Smith-Lever Special Needs Programs are authorized under The Smith-Lever Act, sections 3(b) and 3(c). These programs' purpose is to increase the level of agricultural extension activities and extend its reach to new audiences.

C. Program Funding

Funds are allocated to the land-grant institutions based on specified formulas. These formulas are based on the farm and rural populations of each state and include an equal portion distributed to all eligible institutions. These funds support the activities commonly referred to as "base programs."

Source of Governing Requirements

The laws governing this program are codified at Smith-Lever Act of 1914 7 USC 341-346, 347a-349, Smith Lever Act of 1914 7 USC 343 (d), and Sections 3(b)(1) and 8 of the Smith-Lever Act.

Availability of Other Program Information

Other program information is available from the NIFA website at <http://www.nifa.usda.gov>.

III. COMPLIANCE REQUIREMENTS

In developing the audit procedures to test compliance with the requirements for this federal program, the auditor must determine, from the following summary (also included in Part 2, "Matrix of Compliance Requirements"), which of the 12 types of compliance requirements have been identified as subject to the audit (noted with a "Y" in the summary matrix below), and then determine which of the compliance requirements that are subject to the audit are likely to have a direct and material effect on the federal program at the auditee. For each such compliance requirement subject to the audit, the auditor must use Part 3 (which includes generic details about each compliance requirement other than Special Tests and Provisions) and this program supplement (which includes any program-specific requirements) to perform the audit. **When a compliance requirement is shown in the summary below as "N," it has been identified as not being subject to the audit. Auditors are not expected to test requirements that have been noted with an "N." See the Safe Harbor Status discussion in Part 1 for additional information.**

A	B	C	E	F	G	H	I	J	L	M	N
Activities Allowed or Unallowed	Allowable Costs/Cost Principles	Cash Management	Eligibility	Equipment/Real Property Management	Matching, Level of Effort, Earmarking	Period Of Performance	Procurement Suspension & Debarment	Program Income	Reporting	Subrecipient Monitoring	Special Tests and Provisions
Y	Y	Y	N	Y	Y	N	N	N	Y	N	N

A. Activities Allowed or Unallowed

1. No portion of Smith-Lever Act funds and Section 1444 funds of NARETPA may be applied directly or indirectly “to the purchase, erection, preservation or repair of any building or buildings, or the purchase or rental of land” (7 USC 345 and 3221(e)).
2. No portion of Smith-Lever Act funds and Section 1444 funds under NARETPA may be applied directly or indirectly in college course teaching or lectures in college (7 USC 345 and 3221(e)).

B. Allowable Costs/Cost Principles

1. No indirect costs or tuition remission may be charged against the formula grant funds authorized under the Smith-Lever Act (7 USC 3319) (Section 1473 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977).
2. Retirement and pension contributions paid from grant funds for individuals whose salaries are paid in whole or in part with grant funds are capped at 5 percent. The deposits and contributions of federal origin must be at least equaled by the grantee (7 USC 331).

C. Cash Management

1. Grants and Cooperative Agreements to States

Applicable

2. Grants and Cooperative Agreements to Nonfederal Entities Other Than States

Applicable

3. Cost-Reimbursement Contracts Under the Federal Acquisition Regulation

Not applicable

4. Loans, Loan Guarantees, Interest Subsidies, and Insurance

Not applicable

5. All Pass-Through Entities

Not applicable

F. Equipment and Real Property Management

No portion of federal funds allotted under a Special Needs grant may be applied, directly or indirectly, to the purchase, erection, preservation, or repair of any building or buildings, or the purchase or rental of land, or in college-course teaching, lectures in college, or any other purpose not specified in the Smith-Lever Act (7 USC 345 (Section 5 of the Smith-Lever Act of 1977)) (2 CFR Part 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards).

G. Matching, Level of Effort, Earmarking**1. Matching**

- a. *1862 Land-Grant Institutions in the 50 States* – All formula funds provided to the 1862 land-grant institutions in the 50 states under sections 3(b) and (c) of the Smith-Lever Act must be 100 percent matched. In-kind contributions are not allowed as match for formula funds authorized under sections 3(b) and (c) of the Smith-Lever Act (7 USC 343(e)).
- b. *1862 Land-Grant Institution in the District of Columbia* – Effective December 20, 2019, Section 508 of the Agricultural Improvement Act of 2018 (Pub. L. No. 115-334) reinstated the 100 percent match requirement for funds awarded to 1862 land-grant institutions in the District of Columbia.
- c. *1862 Land-Grant Institutions in the Commonwealth of Puerto Rico and the Insular Areas of American Samoa, Guam, Micronesia, Northern Marianas, and the Virgin Islands* – The Commonwealth of Puerto Rico and the insular areas must meet a 50 percent matching requirement of the federal formula funds (7 USC 343(e)(4) and 7 USC 301 (note)). The secretary of agriculture may waive the matching funds requirement for any fiscal year if the secretary determines that the government of the insular area will be unlikely to meet the matching requirement for the fiscal year (7 USC 343(e)(4)). “Matching funds” means cash contributions and excludes in-kind matching contributions. Matching funds must be used to support research and extension activities as

identified in the approved 5-Year Plan of Work (7 USC 343(e); 7 CFR Part 3419).

2. Level of Effort

Not Applicable

3. Earmarking

Not Applicable

L. Reporting

1. Financial Reporting

a. *SF-270, Request for Advance or Reimbursement* – Not Applicable

b. *SF-271, Outlay Report and Request for Reimbursement for Construction Programs* – Not Applicable

c. *SF-425, Federal Financial Report* – Applicable

2. Performance Reporting

Not Applicable

3. Special Reporting

Not Applicable

4. Special Reporting for Federal Funding Accountability and Transparency Act

See Part 3.L for audit guidance.

UNITED STATES DEPARTMENT OF AGRICULTURE

ASSISTANCE LIVING 10.512 AGRICULTURE EXTENSION AT 1890 LAND-GRANT INSTITUTIONS PROGRAM

I. PROGRAM OBJECTIVES

The National Institute of Food and Agriculture (NIFA) provides capacity grant funds to the 1862 land-grant institutions and the 1890 land-grant institutions for cooperative agricultural extension work. The objective of cooperative extension work is to provide nonformal education and learning activities to people throughout the country—to farmers and other residents of rural communities as well as to people living in urban areas. It emphasizes taking knowledge gained through research and education and bringing it directly to the people to create positive changes.

II. PROGRAM PROCEDURES

A. History of Cooperative Extension

In 1914, the Smith Lever Act formalized cooperative extension by establishing United States Department of Agriculture's (USDA) partnership with land-grant universities (LGUs) to apply research and provide education in agriculture. Since its inception, cooperative extension has broadened its impact from rural communities to having a strong presence in America's urban and suburban areas. Extension agents continue to help farmers and ranchers achieve greater success while assisting families with nutrition and home economics and preparing today's youth to become future leaders. Cooperative extension's activities are funded by many of NIFA's capacity and non-capacity grants. These capacity grants provide support for NIFA's extension activities at land-grant institutions through grants to the states on the basis of statutory formulas. Eligibility for funding is limited to institutions that are identified in both Morrill Acts of 1862 and 1890.

The First Morrill Act of 1862 provided for the establishment of the 1862 land-grant institutions that are located in the 50 states, the District of Columbia, the Commonwealth of Puerto Rico, and the insular areas of American Samoa, Guam, Micronesia, Northern Marianas, and the Virgin Islands. The Second Morrill Act of 1890 provided for the support of the 1890 land-grant institutions, including Tuskegee University, West Virginia State University, and Central State University, which are located in 18 states. The 1862 land-grant institutions receive formula grant funds for cooperative extension work under sections 3(b) and (c) of the Smith-Lever Act (7 USC 343(b) and (c)) and the 1890 land-grant institutions, including Tuskegee University and West Virginia State University, receive formula grant funds for cooperative extension work under Section 1444 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (NARETPA). The only exception is the District of Columbia, which receives extension funds under the District of Columbia Public Postsecondary Education Reorganization Act, Pub. L. No. 93-471, as opposed to sections 3(b) and (c) of the Smith-Lever Act. Section 7403 of the Food, Conservation, and Energy Act (FCEA) amended Section 3(d) of the Smith-Lever Act to provide 1890 institutions and the 1862 institution in the District of Columbia full eligibility to receive funds authorized under Section 3(d) of the

Smith-Lever Act (7 USC 343(d)), including Expanded Food and Nutrition Education Program (EFNEP) and Children, Youth, and Families At-Risk (CYFAR) funds.

B. Subprograms/Program Elements

The Agricultural Extension at 1890 Land-Grant Institutions

The Agricultural Extension at 1890 Land-Grant Institutions program is authorized under Section 1444 of NARETPA, enacted as Title XIV of Pub. L. No. 95–113 (The Food and Agriculture Act of 1977) on September 29, 1977, is also known as the Section 1444 Program. The capacity program assists diverse audiences, particularly those who have limited social and economic resources. Funding supports practices and opportunities that respond to the changing needs of stakeholders. It also supports training for farmers and landowners from underrepresented groups, to acquire adequate capital, adopt new technologies, and use estate planning and tax incentive programs to retain operations and increase profitability.

C. Program Funding

The purpose of this funding is to support agricultural and forestry extension activities at 1890 Land-Grant Institutions, including Tuskegee University, West Virginia State University, and Central State University. Funds are allocated to the 1890 land-grant institutions based on specified formulas. These formulas are based on the farm and rural populations of each state and include an equal portion distributed to all eligible institutions. These funds support the activities commonly referred to as “base programs.”

Source of Governing Requirements

The laws governing this program are codified at Section 1444 of NARETPA.

Availability of Other Program Information

Other program information is available from the NIFA website at <http://www.nifa.usda.gov>.

III. COMPLIANCE REQUIREMENTS

In developing the audit procedures to test compliance with the requirements for this federal program, the auditor must determine, from the following summary (also included in Part 2, “Matrix of Compliance Requirements”), which of the 12 types of compliance requirements have been identified as subject to the audit (noted with a “Y” in the summary matrix below), and then determine which of the compliance requirements that are subject to the audit are likely to have a direct and material effect on the federal program at the auditee. For each such compliance requirement subject to the audit, the auditor must use Part 3 (which includes generic details about each compliance requirement other than Special Tests and Provisions) and this program supplement (which includes any program-specific requirements) to perform the audit. When a compliance requirement is shown in the summary below as “N,” it has been identified as not being subject to the audit. Auditors

are not expected to test requirements that have been noted with an “N.” See the Safe Harbor Status discussion in Part 1 for additional information.

A	B	C	E	F	G	H	I	J	L	M	N
Activities Allowed or Unallowed	Allowable Costs/Cost Principles	Cash Management	Eligibility	Equipment/Real Property Management	Matching, Level of Effort, Earmarking	Period Of Performance	Procurement Suspension & Debarment	Program Income	Reporting	Subrecipient Monitoring	Special Tests and Provisions
Y	Y	Y	N	Y	Y	N	N	N	Y	N	N

A. Activities Allowed or Unallowed

1. Formula grant funds may be spent only for the furtherance of cooperative extension work and according to the 5-Year Plan of Work approved by NIFA (7 USC 344 and 3221(d)). This 5-Year Plan of Work may be integrated with the research component of the land-grant institution, which is funded under the Hatch Act, and/or the 5-Year Plan of Work may be a joint plan between an 1862 land-grant institution and an 1890 land-grant institution if they are both located in the same state (see Section II.A.1, of the Guidelines, 71 FR 4108).
2. No portion of Smith-Lever Act funds and Section 1444 funds of NARETPA may be applied directly or indirectly “to the purchase, erection, preservation or repair of any building or buildings, or the purchase or rental of land” (7 USC 345 and 3221(e)).
3. No portion of Smith-Lever Act funds and Section 1444 funds under NARETPA may be applied directly or indirectly in college course teaching or lectures in college (7 USC 345 and 3221(e)).

B. Allowable Costs/Cost Principles

1. *Indirect Costs* – Not allowed (7 USC 3319 (Section 1473 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977, as amended)).
2. Retirement and pension contributions paid from grant funds for individuals whose salaries are paid in whole or in part with grant funds are capped at 5 percent. The deposits and contributions of federal origin must be at least equaled by the grantee (7 USC 331).

C. Cash Management**1. Grants and Cooperative Agreements to States**

Applicable

2. Grants and Cooperative Agreements to Nonfederal Entities Other Than States

Applicable

3. Cost-reimbursement Contracts Under the Federal Acquisition Regulation

Not applicable

4. Loans, Loan Guarantees, Interest Subsidies, and Insurance

Not applicable

5. All Pass-Through Entities

Not applicable

F. Equipment and Real Property Management

Per NIFA terms and conditions, prior approval is required for general purpose equipment exceeding \$5,000; and special purpose equipment exceeding \$250,000. See also 2 CFR Part 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

No portion of federal funds allotted under a Special Needs grant may be applied, directly or indirectly, to the purchase, erection, preservation, or repair of any building or buildings, or the purchase or rental of land, or in college-course teaching, lectures in college, or any other purpose not specified in Section 1444 of NARETPA (7 USC 3221 (e) (Section 1444 of NARETPA)).

G. Matching, Level of Effort, Earmarking**1. Matching**

1890 Land-Grant Institutions, including Tuskegee University and West Virginia State University – Recipients must match 100 percent of federal funds from nonfederal sources. These land-grant institutions may apply for a waiver of the matching funds requirement in excess of 50 percent for any fiscal year. “Matching funds” means cash contributions and excludes in-kind matching contributions. Matching funds must be used to support research and extension activities as identified in the approved 5-Year Plan of Work or for approved qualifying educational activities. Matching funds must be available in the same federal fiscal year as the federal funds. 1890 Land-Grant Institutions, including Tuskegee

University, West Virginia State University, and Central State University, may carryover matching funds from one fiscal year to the following fiscal year (7 USC 3222d and 7 CFR Part 3419).

2. Level of Effort

Not Applicable

3. Earmarking

Not Applicable

L. Reporting

1. Financial Reporting

- a. *SF-270, Request for Advance or Reimbursement* – Not Applicable
- b. *SF-271, Outlay Report and Request for Reimbursement for Construction Programs* – Not Applicable
- c. *SF-425, Federal Financial Report* – Awardees are required to submit a SF-425, Federal Financial Report annually no later than 90 days after the award anniversary date. The final SF-425 is due no later than 90 days after the termination date of the grant.

2. Performance Reporting

The 1890 land-grant institutions that receive funding for the Agricultural Extension at 1890 Land-Grant Institutions Program authorized in Section 1444 of NAREPTA (7 USC 3221) and administered by NIFA beginning with the fiscal year (FY) 2019 funding, will be allowed to carry as much as 100 percent of their annual Section 1444 allocation over to the following fiscal year.

3. Special Reporting

Not Applicable

4. Special Reporting for Federal Funding Accountability and Transparency Act

See Part 3.L for audit guidance.

UNITED STATES DEPARTMENT OF AGRICULTURE

ASSISTANCE LISTING 10.514 EXPANDED FOOD AND NUTRITION EDUCATION PROGRAM (EFNEP)

I. PROGRAM OBJECTIVES

The National Institute of Food and Agriculture (NIFA) provides capacity and non-capacity grant funds to the 1862 land-grant institutions and the 1890 land-grant institutions for cooperative agricultural extension work. The objective of cooperative extension work is to provide nonformal education and learning activities to people throughout the country—to farmers and other residents of rural communities as well as to people living in urban areas. It emphasizes taking knowledge gained through research and education and bringing it directly to the people to create positive changes. The EFNEP program provides for employment and training of professional and paraprofessional aides to engage in direct nutrition education of low-income families and in other appropriate nutrition education programs. To the maximum extent practicable, program aides are hired from the indigenous target population.

II. PROGRAM PROCEDURES

A. Overview

In 1914, the Smith Lever Act formalized cooperative extension by establishing United States Department of Agriculture's (USDA) partnership with land-grant universities (LGUs) to apply research and provide education in agriculture. Since its inception, cooperative extension has broadened its impact from rural communities to having a strong presence in America's urban and suburban areas. Extension agents continue to help farmers and ranchers achieve greater success, while assisting families with nutrition and home economics and preparing today's youth to become future leaders. Cooperative extension's activities are funded by many of NIFA's capacity and non-capacity grants. These capacity grants provide support for NIFA's extension activities at land-grant institutions through grants to the states on the basis of statutory formulas. Eligibility for funding is limited to institutions that are identified in both Morrill Acts of 1862 and 1890.

The First Morrill Act of 1862 provided for the establishment of the 1862 land-grant institutions, which are located in the 50 states, the District of Columbia, the Commonwealth of Puerto Rico, and the insular areas of American Samoa, Guam, Micronesia, Northern Marianas, and the Virgin Islands. The Second Morrill Act of 1890 provided for the support of the 1890 land-grant institutions, including Tuskegee University, West Virginia State University, and Central State University, which are located in 18 states. The 1862 land-grant institutions receive formula grant funds for cooperative extension work under sections 3(b) and (c) of the Smith-Lever Act (7 USC 343(b) and (c)) and the 1890 land-grant institutions, including Tuskegee University and West Virginia State University, receive formula grant funds for cooperative extension work under Section 1444 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (NARETPA). The only exception is the District of Columbia, which receives extension funds under the District of Columbia Public Postsecondary Education

Reorganization Act, Pub. L. No. 93-471, as opposed to sections 3(b) and (c) of the Smith-Lever Act. Section 7403 of the Food, Conservation, and Energy Act (FCEA) amended Section 3(d) of the Smith-Lever Act to provide 1890 institutions and the 1862 institution in the District of Columbia full eligibility to receive funds authorized under Section 3(d) of the Smith-Lever Act (7 USC 343(d)), including Expanded Food and Nutrition Education Program (EFNEP) and Children, Youth, and Families At-Risk (CYFAR) funds.

B. Subprograms/Program Elements

Expanded Food and Nutrition Education Program (EFNEP)

The EFNEP is authorized under Section 3(d) of the Smith-Lever Act provides that the secretary of agriculture may fund extension work in several states, territories, and possessions. Section 1425 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (as amended) (7 USC 3175) is also known as the EFNEP. This law provides the basis for federal funding for extension activities associated with disseminating the results of food and nutrition research performed or funded by the USDA to enable low-income individuals and families to engage in nutritionally sound food purchase and preparation practices. The EFNEP program provides for employment and training of professional and paraprofessional aides to engage in direct nutrition education of low-income families and in other appropriate nutrition education programs. To the maximum extent practicable, program aides are hired from the indigenous target population.

EFNEP funding extends to state land-grant colleges and universities established under the Morrill Act of July 2, 1862, as amended, and the Morrill Act of August 30, 1890, as amended, including Tuskegee University and West Virginia State University. Further, in accordance with Section 7129 of the Agricultural Act of 2014 (House Conference Report 113-333, to accompany HR 2642), Central State University has the designation as an 1890 Institution and is eligible to receive funds under this program beginning in fiscal year (FY) 2016.

C. Program Funding

Programmatic funds are provided to the 1862 and 1890 land-grant institutions under Section 3(d) of the Smith-Lever Act for EFNEP, which is authorized under Section 1425 of NARETPA. These funds are made available to the 1862 and 1890 land-grant institutions in the 50 states, the District of Columbia, the Commonwealth of Puerto Rico, and the insular areas of American Samoa, Guam, Micronesia, Northern Marianas, and the Virgin Islands.

Source of Governing Requirements

The law governing this program is Section 1425 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (as amended) 7 USC 3175.

Availability of Other Program Information

Other program information is available from the NIFA website at <http://www.nifa.usda.gov>.

III. COMPLIANCE REQUIREMENTS

In developing the audit procedures to test compliance with the requirements for this federal program, the auditor must determine, from the following summary (also included in Part 2, “Matrix of Compliance Requirements”), which of the 12 types of compliance requirements have been identified as subject to the audit (noted with a “Y” in the summary matrix below), and then determine which of the compliance requirements that are subject to the audit are likely to have a direct and material effect on the federal program at the auditee. For each such compliance requirement subject to the audit, the auditor must use Part 3 (which includes generic details about each compliance requirement other than Special Tests and Provisions) and this program supplement (which includes any program-specific requirements) to perform the audit. **When a compliance requirement is shown in the summary below as “N,” it has been identified as not being subject to the audit. Auditors are not expected to test requirements that have been noted with an “N.” See the Safe Harbor Status discussion in Part 1 for additional information.**

A	B	C	E	F	G	H	I	J	L	M	N
Activities Allowed or Unallowed	Allowable Costs/Cost Principles	Cash Management	Eligibility	Equipment/Real Property Management	Matching, Level of Effort, Earmarking	Period Of Performance	Procurement Suspension & Debarment	Program Income	Reporting	Subrecipient Monitoring	Special Tests and Provisions
Y	Y	Y	N	N	N	N	N	N	Y	Y	N

A. Activities Allowed or Unallowed

1. EFNEP federal funding must be used on NIFA approved EFNEP projects per 7 USC 3175 (Section 1425 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977) and 7 USC 343(d) (Section 3(d) of the Smith-Lever Act).
2. No portion of Smith-Lever Act funds and Section 1444 funds of NARETPA may be applied directly or indirectly “to the purchase, erection, preservation or repair of any building or buildings, or the purchase or rental of land” (7 USC 345 and 3221(e)).

3. No portion of Smith-Lever Act funds and Section 1444 funds under NARETPA may be applied directly or indirectly in college course teaching or lectures in college (7 USC 345 and 3221(e)).

B. Allowable Costs/Cost Principles

1. *Indirect Costs* – Not allowed (7 USC 3319 (Section 1473 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977, as amended)).

C. Cash Management

1. Grants and Cooperative Agreements to States

Applicable

2. Grants and Cooperative Agreements to Nonfederal Entities Other Than States

Applicable

3. Cost-reimbursement Contracts Under the Federal Acquisition Regulation

Not applicable

4. Loans, Loan Guarantees, Interest Subsidies, and Insurance

Not applicable

5. All Pass-Through Entities

Applicable

L. Reporting

1. Financial Reporting

a. *SF-270, Request for Advance or Reimbursement* – Not Applicable

b. *SF-271, Outlay Report and Request for Reimbursement for Construction Programs* – Not Applicable

c. *SF-425, Federal Financial Report* – Applicable

2. Performance Reporting

Not Applicable

3. Special Reporting

Not Applicable

4. Special Reporting for Federal Funding Accountability and Transparency Act

See Part 3.L for audit guidance.

M. Subrecipient Monitoring

Applicable

UNITED STATES DEPARTMENT OF AGRICULTURE**ASSISTANCE LISTING 10.515 RENEWABLE RESOURCES EXTENSION ACT (RREA) and NATIONAL FOCUS FUNDS (RREA-NFF)****I. PROGRAM OBJECTIVES**

The National Institute of Food and Agriculture (NIFA) provides capacity and non-capacity grant funds to the 1862 land-grant institutions and the 1890 land-grant institutions for cooperative agricultural extension work. The objective of cooperative extension work is to facilitate the development of practical applications of research knowledge and practical demonstrations of existing or improved practices or technologies in agriculture, home economics, and rural energy, and related subjects to persons not attending or resident in colleges. The purpose of the Renewable Resources Extension Act program funding is to assist states in carrying out an extension program designed to assist forest and range landowners and managers in making resource management decisions based on research findings. Forest and rangeland resources include vegetation, water, fisheries and wildlife, soil, and recreation.

II. PROGRAM PROCEDURES**A. Overview and Program Elements**

Congress passed the Renewable Resources Extension Act (RREA) on June 30, 1978, and it was signed into law as Pub. L. No. 95-306, 92 Stat. 349, 16 USC 1671 et seq. The RREA is an Act “To provide for an expanded and comprehensive extension program for forest and rangeland renewable resources.” It is intended to provide educational programs dealing with renewable resources on forest and rangeland and to develop and implement extension educational programs that give special attention to the educational needs of small, private, nonindustrial forest landowners and rangeland owners/managers. The Act is also intended to assist in providing continuing education programs for natural resource professionals working in fish and wildlife, forest, range, and watershed management, and related fields. The original Act was effective for the period October 1, 1978, ending September 30, 2000. Since then, RREA has been re-authorized as a Farm Bill program for five-year increments. The original Act authorized funding was \$15,000,000 per fiscal year. Later reauthorizations of the program increased the authorized funding level to \$30,000,000 per fiscal year.

B. Program Funding

States are eligible for programmatic funds appropriated under this Act according to the respective capabilities of their private forests and rangelands for yielding renewable resources and relative needs for such resources identified in the periodic Renewable Resource Assessment provided for in Section 3 of the Forest and Rangeland Renewable Resources Planning Act of 1974 and the periodic appraisal of land and water resources provided for in Section 5 of the Soil and Water Resources Conservation Act of 1977.

Source of Governing Requirements

The laws governing this program are codified at Renewable Resources Extension Act 16 USC 1671 et seq. and RREA of 1978 16 USC 1671 et seq.

Availability of Other Program Information

Other program information is available from the NIFA website at <http://www.nifa.usda.gov>.

III. COMPLIANCE REQUIREMENTS

In developing the audit procedures to test compliance with the requirements for this federal program, the auditor must determine, from the following summary (also included in Part 2, “Matrix of Compliance Requirements”), which of the 12 types of compliance requirements have been identified as subject to the audit (noted with a “Y” in the summary matrix below), and then determine which of the compliance requirements that are subject to the audit are likely to have a direct and material effect on the federal program at the auditee. For each such compliance requirement subject to the audit, the auditor must use Part 3 (which includes generic details about each compliance requirement other than Special Tests and Provisions) and this program supplement (which includes any program-specific requirements) to perform the audit. When a compliance requirement is shown in the summary below as “N,” it has been identified as not being subject to the audit. Auditors are not expected to test requirements that have been noted with an “N.” See the Safe Harbor Status discussion in Part 1 for additional information.

A	B	C	E	F	G	H	I	J	L	M	N
Activities Allowed or Unallowed	Allowable Costs/Cost Principles	Cash Management	Eligibility	Equipment/Real Property Management	Matching, Level of Effort, Earmarking	Period Of Performance	Procurement Suspension & Debarment	Program Income	Reporting	Subrecipient Monitoring	Special Tests and Provisions
Y	Y	Y	N	N	N	N	N	N	Y	Y	N

A. Activities Allowed or Unallowed

RREA federal funding must be used on the strategic issues from the fiscal years (FYs) 2012–2016 RREA Strategic Plan identified in the institution’s approved 5-Year Plan of Work for FYs 2012–2016.

B. Allowable Costs/Cost Principles

1. Indirect Costs: Not allowed

C. Cash Management**1. Grants and Cooperative Agreements to States**

Applicable

2. Grants and Cooperative Agreements to Nonfederal Entities Other Than States

Applicable

3. Cost-reimbursement Contracts Under the Federal Acquisition Regulation

Not applicable

4. Loans, Loan Guarantees, Interest Subsidies, and Insurance

Not applicable

5. All Pass-Through Entities

Not applicable

L. Reporting**1. Financial Reporting**

a. *SF-270, Request for Advance or Reimbursement* – Not Applicable

b. *SF-271, Outlay Report and Request for Reimbursement for Construction Programs* – Not Applicable

c. *SF-425, Federal Financial Report* – Applicable

2. Performance Reporting

Recipients have an approved five-year project in REEport.

1. Institutions must submit a REEport Project Initiation, which includes the project description, project classification, assurance form, and project proposal through the REEport System prior to the initiation of each capacity-funded project. The project must undergo a review process and be approved before it is incorporated into the program of research.

2. Each institution must submit a REEport Progress Report annually for each eligible project. All progress reports are based on the federal fiscal year and must be submitted by March 1 for the preceding fiscal year.

3. A Final Report must be submitted to NIFA through REEport for each completed or terminated project. Such reports must be submitted at the same time as are progress reports on active projects and should include a summary of accomplishments for the entire life of the project.
4. A Project Financial Report must be submitted to NIFA through REEport annually for all eligible projects from the preceding fiscal year. A Project Financial Report is also required for expenditures on all state projects that are to be included in the nonfederal funds and matching funds computation. Reports shall be made on the federal fiscal year basis.

3. Special Reporting

Not Applicable

4. Special Reporting for Federal Funding Accountability and Transparency Act

See Part 3.L for audit guidance.

M. Subrecipient Monitoring

Applicable

UNITED STATES DEPARTMENT OF AGRICULTURE

ASSISTANCE LISTING 10.516 RURAL HEALTH AND SAFETY

I. PROGRAM OBJECTIVES

The Rural Health and Safety Education (RHSE) program addresses the health and well-being of rural America through supporting the development and/or implementation of projects focused on (1) individual and family health education programs with specified contents; (2) rural health leadership development education programs to assist rural communities in developing health care services and facilities and assist community leaders and public officials in understanding their roles and responsibilities; and (3) farm safety education programs to provide information and training to farm workers, timber harvesters, and farm families.

II. PROGRAM PROCEDURES

A. Overview

Authorization for the Rural Health and Safety Education (RHSE) program is under Section 502 (i) of Title V of the Rural Development Act of 1972, as amended (7 USC 2662). Title V of the Rural Development Act of 1972 is to foster quality of life in rural communities by providing the essential knowledge necessary for successful programs of rural development, improving coordination among federal agencies, other levels of government, and institutions and private organizations in rural areas, and developing and disseminating information about rural conditions. Section 502(a) of the act authorizes that United States Department of Agriculture (USDA) may support colleges and universities as they implement extension programs.

B. Program Funding

The 1862 and 1890 Land Grant colleges and universities that are eligible to receive funds under the Act of July 2, 1862 (7 USC 301 et seq.) and the Act of August 30, 1890 (7 USC 321 et seq.), including Central State University, Tuskegee University, and West Virginia State University are eligible for funding. Applications also may be submitted by any of the tribal colleges and universities designated as 1994 Land Grant Institutions under the Educational Land-Grant Status Act of 1994, as amended.

Source of Governing Requirements

The laws governing this program are codified at Section 502 (i) of Title V of the Rural Development Act of 1972, as amended 7 USC 2662.

Availability of Other Program Information

Other program information is available from the National Institute of Food and Agriculture (NIFA) website at <http://www.nifa.usda.gov>.

III. COMPLIANCE REQUIREMENTS

In developing the audit procedures to test compliance with the requirements for this federal program, the auditor must determine, from the following summary (also included in Part 2, “Matrix of Compliance Requirements”), which of the 12 types of compliance requirements have been identified as subject to the audit (noted with a “Y” in the summary matrix below), and then determine which of the compliance requirements that are subject to the audit are likely to have a direct and material effect on the federal program at the auditee. For each such compliance requirement subject to the audit, the auditor must use Part 3 (which includes generic details about each compliance requirement other than Special Tests and Provisions) and this program supplement (which includes any program-specific requirements) to perform the audit. **When a compliance requirement is shown in the summary below as “N,” it has been identified as not being subject to the audit. Auditors are not expected to test requirements that have been noted with an “N.” See the Safe Harbor Status discussion in Part 1 for additional information.**

A	B	C	E	F	G	H	I	J	L	M	N
Activities Allowed or Unallowed	Allowable Costs/Cost Principles	Cash Management	Eligibility	Equipment/Real Property Management	Matching, Level of Effort, Earmarking	Period Of Performance	Procurement Suspension & Debarment	Program Income	Reporting	Subrecipient Monitoring	Special Tests and Provisions
Y	Y	Y	N	Y	N	N	N	N	Y	Y	N

A. Activities Allowed or Unallowed

Per 7 USC 2662(i) (Section 502(i) of the Rural Development Act of 1972) and 7 USC 3310(a) and (c) (Section 1462(a) and (c) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977), NIFA has determined that grant funds awarded under this authority may not be used for:

- General Purpose Equipment – Equipment that does not have a particular scientific, technical, or programmatic purpose. It includes passenger carrying vehicles, typewriters, furniture (e.g., tables, chairs, file cabinets, book cases), copy machines, fax machines, and so forth;
- Entertainment – Banquets, awards ceremonies, and meals for persons not in a travel status, tickets to shows or sporting events, and alcoholic beverages;
- Incentives – Federal funds may not be used to offer targeted program participants incentives (e.g., fast-food coupons, gift certificates) to entice participation. This is prohibited under the OMB Circulars;

- Renovation or refurbishment of research, education, or extension space;
- Purchase or installation of fixed equipment in such space;
- Planning, repair, rehabilitation, acquisition, or construction of buildings or facilities; and
- Any expense that is not directly related to the program or project would be considered unallowable. Costs such as child care services hired so that a person can attend a meeting or kitchen help hired to prepare refreshments for a field day, promotional or thank-you gifts such as T-shirts, coffee mugs, or canvas carry-all bags are unallowable because they are not directly related to the project plan.

B. Allowable Costs/Cost Principles

1. Section 713 of the Consolidated Appropriations Act, 2017 (Pub. L. No. 115-31) limits indirect costs to 30 percent of the total federal funds provided (or 42.857 percent of total direct costs) under each award. Therefore, when preparing budgets, requests for the recovery of indirect costs to the lesser of an institution's official negotiated indirect cost rate or the equivalent of 30 percent of total federal funds awarded. See Part V section 7.9 of the NIFA Grants.gov Application Guide for further indirect cost information. See webpage at <https://nifa.usda.gov/indirect-costs> for indirect cost options.

C. Cash Management

1. Grants and Cooperative Agreements to States

Applicable

2. Grants and Cooperative Agreements to Nonfederal Entities Other Than States

Applicable

3. Cost-reimbursement Contracts Under the Federal Acquisition Regulation

Not applicable

4. Loans, Loan Guarantees, Interest Subsidies, and Insurance

Not applicable

5. All Pass-Through Entities

Applicable

F. Equipment and Real Property Management

NIFA has determined that grant funds awarded under this authority may not be used for:

- General Purpose Equipment – Equipment that does not have a particular scientific, technical, or programmatic purpose. It includes passenger carrying vehicles, typewriters, furniture (e.g., tables, chairs, file cabinets, bookcases), copy machines, fax machines, and so forth (2 CFR Part 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (UG). Per NIFA award terms and conditions, prior approval is required for general purpose equipment exceeding \$5,000 and special purpose equipment exceeding \$250,000.).
- Renovation or refurbishment of research, education, or extension space (7 USC 2662(i) (Section 502(i) of the Rural Development Act of 1972));
- Purchase or installation of fixed equipment in such space;
- Planning, repair, rehabilitation, acquisition, or construction of buildings or facilities.

L. Reporting**1. Financial Reporting**

- a. *SF-270, Request for Advance or Reimbursement* – Not Applicable
- b. *SF-271, Outlay Report and Request for Reimbursement for Construction Programs* – Not Applicable
- c. *SF-425, Federal Financial Report* – Applicable

2. Performance Reporting

Not Applicable

3. Special Reporting

Not Applicable

4. Special Reporting for Federal Funding Accountability and Transparency Act

See Part 3.L for audit guidance.

M. Subrecipient Monitoring

Applicable

UNITED STATES DEPARTMENT OF AGRICULTURE

ASSISTANCE LISTING 10.517 TRIBAL COLLEGE EXTENSION PROGRAM (TCEP) and SPECIAL EMPHASIS (TCEP-SE), and FEDERALLY RECOGNIZED TRIBES EXTENSION PROGRAM (FRTEP)

I. PROGRAM OBJECTIVES

The National Institute of Food and Agriculture (NIFA) provides capacity and non-capacity grant funds to the 1862 land-grant institutions and the 1890 land-grant institutions for cooperative agricultural extension work. The objective of cooperative extension work is to facilitate the development of practical applications of research knowledge and practical demonstrations of existing or improved practices or technologies in agriculture, home economics, and rural energy, and related subjects to persons not attending or resident in colleges. The purpose of the Tribal Colleges Extension Program (TCEP) is to give reservation communities opportunities for enhanced agricultural productivity, community resilience, economic growth, and youth development by extending the reach of innovations in research and technology and enhancing informal, local educational programming. The purpose of FRTEP is to establish an extension program presence and support extension program outreach on Federally Recognized Indian Reservations and tribal jurisdictions of Federally Recognized Tribes.

II. PROGRAM PROCEDURES

A. Overview

In 1914, the Smith Lever Act formalized cooperative extension by establishing the United States Department of Agriculture's (USDA) partnership with land-grant universities (LGUs) to apply research and provide education in agriculture. Since its inception, cooperative extension has broadened its impact from rural communities to having a strong presence in America's urban and suburban areas. Extension agents continue to help farmers and ranchers achieve greater success while assisting families with nutrition and home economics and preparing today's youth to become future leaders. Cooperative extension's activities are funded by many of NIFA's capacity and non-capacity grants. These capacity grants provide support for NIFA's extension activities at land-grant institutions through grants to the states on the basis of statutory formulas.

In 1994, twenty-nine tribal colleges received land-grant university (LGU) status, giving them access to federal government resources that would improve the lives of Native students through higher education and help propel American Indians toward self-sufficiency. These resources also support innovative research, education, and extension programs that positively impact agriculture and food production.

1. *Tribal College Extension Program (TCEP) and Special Emphasis (TCEP-SE)*

The TCEP program and TCEP-SE are authorized under Section 534(b) of the Equity in Educational Land-Grant Status Act of 1994 (7 USC 301 note), as amended by the Agricultural Research, Extension, and Education Reform Act of

1998 (AREERA) (7 USC 7601). This section amends Section 3 of the Act of May 8, 1914 (Smith-Lever Act) (7 USC 341 et seq.), as amended. Under this authority, appropriated funds are to be awarded to the 1994 Land-Grant Institutions (hereinafter referred to as 1994 Institutions) for extension program work and funds are to be distributed on the basis of a competitive application process.

2. *Federally Recognized Tribes Extension Program (FRTEP)*

The FRTEP is authorized under Section 3(d) of the Act of May 8, 1914, Smith-Lever Act, ch. 79, 38 Stat. 372, 7 USC 341 et seq. Section 7403 of the Food, Conservation, and Energy Act of 2008 (FCEA) (Pub. L. No. 110-246) amended Section 3(d) of the Smith-Lever Act to require funds to be awarded competitively.

B. Subprograms/Program Elements

The purpose of the TCEP and TCEP-SE is to give reservation communities opportunities for enhanced agricultural productivity, to help supplement their existing extension capacity program, community resilience, economic growth, and youth development by extending the reach of innovations in research and technology and enhancing informal, local educational programming.

The purpose and intent of FRTEP is to establish an extension program presence and support extension program outreach on Federally Recognized Indian Reservations and tribal jurisdictions of Federally Recognized Tribes.

C. Program Funding

1. *Tribal College Extension Program (TCEP) and Special Emphasis (TCEP-SE)*

The expectation is that each 1994 institution that submits an extension capacity grant will receive funding so long as the application is of sufficient quality. Institutions will compete for the amount of funding they receive.

2. *Federally Recognized Tribes Extension Program (FRTEP)*

Section 3(d) of the Smith-Lever Act provides that the secretary of agriculture may fund extension work in the several states, territories, and possessions.

Source of Governing Requirements

The laws governing this program are codified at Section 534(b) of the Equity in Educational Land-Grant Status Act of 1994 and Smith Lever Act of 1914 7 USC 343 (d).

Availability of Other Program Information

Other program information is available from the NIFA website at <http://www.nifa.usda.gov>.

III. COMPLIANCE REQUIREMENTS

In developing the audit procedures to test compliance with the requirements for this federal program, the auditor must determine, from the following summary (also included in Part 2, “Matrix of Compliance Requirements”), which of the 12 types of compliance requirements have been identified as subject to the audit (noted with a “Y” in the summary matrix below), and then determine which of the compliance requirements that are subject to the audit are likely to have a direct and material effect on the federal program at the auditee. For each such compliance requirement subject to the audit, the auditor must use Part 3 (which includes generic details about each compliance requirement other than Special Tests and Provisions) and this program supplement (which includes any program-specific requirements) to perform the audit. **When a compliance requirement is shown in the summary below as “N,” it has been identified as not being subject to the audit. Auditors are not expected to test requirements that have been noted with an “N.”** See the Safe Harbor Status discussion in Part 1 for additional information.

A	B	C	E	F	G	H	I	J	L	M	N
Activities Allowed or Unallowed	Allowable Costs/Cost Principles	Cash Management	Eligibility	Equipment/Real Property Management	Matching, Level of Effort, Earmarking	Period Of Performance	Procurement Suspension & Debarment	Program Income	Reporting	Subrecipient Monitoring	Special Tests and Provisions
Y	Y	Y	N	Y	N	N	N	N	Y	Y	N

A. Activities Allowed or Unallowed

- Neither equity nor research projects are supported under TCEP (7 USC 301 note (Section 3(b)(3) of the Smith-Lever Act, as added by Section 534(b) of the Equity in Educational Land-Grant Status Act of 1994)).

B. Allowable Costs/Cost Principles

Tribal College Extension Program (TCEP) and Special Emphasis (TCEP-SE) (7 USC 3319 (Section 1473 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977))

- Indirect costs are unallowable.
- The use of grant funds to plan, acquire, or construct a building or facility, or to acquire land, is not allowed under this program. With prior approval, in accordance with the cost principles set forth in 2 CFR 200.403(e), grant funds may be used to purchase equipment, or for improvements, alterations,

renovations, or repairs to land, buildings, or equipment, deemed necessary to retrofit existing spaces and resources in order to carry out a funded project under this grant. However, requests to use grant funds for such purposes must be aligned with the goals and objectives of the project. Any equipment purchased with federal funds is the property of the grantee or the sub-grantee, as appropriate.

Federally Recognized Tribes Extension Program (FRTEP) (7 USC 343(d) Section 3(d) of the Smith-Lever Act))

1. Pursuant to Section 1473 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (91 Stat. 981), indirect costs are unallowable costs under Section 3(d) of the Smith-Lever Act, and no funds will be approved for this purpose. Costs that are a part of an institution's indirect cost pool may not be reclassified as direct costs for the purpose of making them allowable. Award recipients may sub-contract to organizations not eligible to apply, provided such organizations are necessary for the success of the project.
2. Renovation and refurbishment of research, extension, and education space is not allowable.
3. Tuition remission is not allowable.

C. Cash Management

1. Grants and Cooperative Agreements to States

Applicable

2. Grants and Cooperative Agreements to Nonfederal Entities Other Than States

Applicable

3. Cost-reimbursement Contracts Under the Federal Acquisition Regulation

Not applicable

4. Loans, Loan Guarantees, Interest Subsidies, and Insurance

Not applicable

5. All Pass-Through Entities

Not allowed

F. Equipment and Real Property Management

Grant funds awarded under this authority may not be used to renovate or refurbish research, education, or extension space; purchase or install fixed equipment in such space; or to plan, repair, rehabilitate, acquire, or construct buildings or facilities (7 USC 301 note (Section 3(b)(3) of the Smith-Lever Act, as added by Section 534(b) of the Equity in Educational Land-Grant Status Act of 1994); 2 CFR Part 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (UG); and 7 USC 345 (Section 5 of the Smith-Lever Act of 1977)).

L. Reporting**1. Financial Reporting**

- a. *SF-270, Request for Advance or Reimbursement* – Not Applicable
- b. *SF-271, Outlay Report and Request for Reimbursement for Construction Programs* – Not Applicable
- c. *SF-425, Federal Financial Report* – Applicable

2. Performance Reporting

Not Applicable

3. Special Reporting

Not Applicable

4. Special Reporting for Federal Funding Accountability and Transparency Act

See Part 3.L for audit guidance.

M. Subrecipient Monitoring

Applicable