

GRANT AGREEMENT
between
THE COMMODITY CREDIT CORPORATION
and the
[_____]

This Grant Agreement is entered into by and between the United States Department of Agriculture (USDA) Natural Resources Conservation Service (NRCS), on behalf of the Commodity Credit Corporation (CCC), and the [_____] (hereinafter whether singular or plural **ENTITY**) for the purchase of agricultural land easements under the Agricultural Conservation Easement Program (ACEP-ALE). The CCC will utilize the expertise and services of NRCS to perform its duties identified in this Grant Agreement. The term "Parties" as used herein refers collectively to NRCS and the **ENTITY**.

I. AUTHORITY

NRCS enters this Grant Agreement under the authorities of the Commodity Credit Corporation Charter Act, 15 U.S.C. Section 714 et seq.; the Agricultural Conservation Easement Program, subtitle H of title XII of the Food Security Act of 1985, 16 U.S.C. Section 3865 et seq.; and the Federal Grant and Cooperative Agreement Act of 1977, 31 U.S.C. Section 6304 et seq. This Grant Agreement will be administered in accordance with the policies and procedures set forth in the ACEP regulation, 7 CFR Part 1468 and uniform regulation for grants and agreements in 2 CFR Parts 25, 170, 200, and 400.

[_____] enters this Grant Agreement under the authorities of [_____].

II. PURPOSE

This Grant Agreement stipulates the terms and conditions under which NRCS will provide ACEP cost-share assistance to the **ENTITY**. The **ENTITY** has signed the Notice of Grant and Agreement Award acknowledging that the award is subject to the terms and conditions of this Grant Agreement and all applicable laws, regulations, and policy.

THEREFORE, the Parties agree to enter into this Grant Agreement to purchase agricultural land easements from eligible landowners (Grantors) to protect the agricultural use, future viability, and related conservation values of eligible land by limiting nonagricultural uses of that land or to protect grazing uses and related conservation values by restoring and conserving eligible land. The Parties have identified these eligible lands on attachments to this Grant Agreement as Parcels, here in referred to collectively as "Parcels" or individually as "Parcel."

III. OBLIGATION OF FUNDS

- A. Upon execution of this Grant Agreement, NRCS will make cost-share assistance available up to the amount specified on the Notice of Grant and Agreement Award for the acquisition by the **ENTITY** of agricultural land easements on the funded Parcels listed on attachments to this Grant Agreement.
- B. NRCS may make additional cost-share assistance available in future fiscal years through the execution of mutually acceptable amendments to this Grant Agreement that identify the additional cost-share assistance amount, the additional funded Parcels, and the terms and conditions of the funding if different from the terms and conditions identified herein, as provided in section IX.D.
- C. Upon mutual agreement of the Parties and execution of an amendment, as provided in section IX.D, NRCS may allow substitution of Parcels at any time, provided the Parcels are of comparable conservation value as determined by NRCS.

- D. This Grant Agreement will be for a term of 5 years and not to exceed 7 years. The **ENTITY** must meet each performance schedule deadline in table 1 unless the **ENTITY** requests and NRCS grants an extension in writing prior to the original deadline. The performance schedule deadlines for an individual attachment may be extended for one consecutive 12-month period, as provided in section IX.B. Should the **ENTITY** not meet the performance schedule deadlines, NRCS may release any remaining funds from this Grant Agreement.

Table 1 – Performance Schedule

FY of Fund Obligation (Attachment)	Attachment Listing Parcels	Closing Deadline	Payment Request Deadline	Attachment Expiration Deadline
2015	A	March 31, 2017	July 31, 2017	August 31, 2017
2016	B	March 31, 2018	July 31, 2018	August 31, 2018
2017	C	March 31, 2019	July 31, 2019	August 31, 2019
2018	D	March 31, 2020	July 31, 2020	August 31, 2020

- E. Requests for an extension to the attachment expiration deadline must be submitted by the **ENTITY** to NRCS 30 days in advance of the attachment expiration date.
- F. Nothing in this document obligates NRCS or the **ENTITY** to purchase all or any of the agricultural land easement Parcels listed in the attachments.

IV. FEDERAL SHARE

Based on a determination by NRCS that the **ENTITY** has satisfied the terms and conditions of this agreement, NRCS will pay the **ENTITY** a cost-share amount for the purchase of each agricultural land easement acquired by the **ENTITY**. The Federal share will not exceed 50 percent of the fair market value of the agricultural land easement as determined using one of the methods set forth in 7 CFR Section 1468.24.

V. COOPERATING ENTITY'S CONTRIBUTION

- A. The **ENTITY** will contribute an amount for the easement purchase at least equivalent to the Federal share. The **ENTITY** may include as part of its contribution a charitable donation or qualified conservation contribution (as defined by section 170(h) of the Internal Revenue Code of 1986) from the eligible landowner if the **ENTITY** contributes its own cash resources in an amount that is at least 50 percent of the amount contributed by NRCS. If the NRCS State Conservationist has waived a portion of the **ENTITY** cash contribution requirement for individual projects of special significance, the Parcels receiving the waiver will be identified in the attachment and the **ENTITY** will provide a copy of the approved waiver at the time payment is requested. The **ENTITY**'s reduced contribution of its own cash resources for projects of special significance will be in an amount at least [SELECT ONE: ___25 or ___10] percent of the Federal share.
- B. The **ENTITY** must self-certify on NRCS Form 230, "Confirmation of Matching Funds" (exhibit 4), that the **ENTITY**'s contribution of its own cash resources has not come from additional donations, payments, loans or fees made by or charged to the Grantor of the agricultural land easement, immediate family members, or organizations controlled by or funded by the Grantor, either through formal or informal agreements.

VI. PAYMENTS

- A. The **ENTITY** may request payment of the Federal share as reimbursement after closing or as an advance payment prior to closing of an agricultural land easement on a Parcel.

- B. To obtain reimbursement or an advance payment of the Federal share, the **ENTITY** will submit the Form SF-270 (Request for Advance/Reimbursement of Funds (exhibit 5)), the SF-270 supplement for certified entities (exhibit 6), and the information and documentation required by the supplement to the NRCS Contact named on the Notice of Grant and Agreement Award. The **ENTITY** may submit the Form SF-270 payment request package:
1. Prior to closing when a payment is to be issued at closing (advance payment);
 2. After the agricultural land easement has been recorded and the landowners have been paid (reimbursement); or
 3. On a quarterly basis for each quarter that agricultural land easements have been recorded and the landowners have been paid (reimbursement).
- C. **ENTITY** will maintain current registration in the Dun and Bradstreet Data Universal Numbering System (DUNS) and meet the System for Award Management (SAM) registration requirements or successor registry for the duration of this Grant Agreement.
- D. NRCS will disburse payment following receipt of a fully complete SF-270 payment request package from the **ENTITY** within 30 days if the Federal share for the individual easement is less than \$250,000 and within 45 days if the Federal share for the individual easement is \$250,000 or greater.
- E. If NRCS provides an advance payment the **ENTITY** will obtain a receipt for the Federal funds from the closing agent and provide it to NRCS prior to closing. The **ENTITY** will ensure the closing agent does not hold the Federal funds in escrow for more than 30 calendar days. If closing does not occur within 30 calendar days of advance payment, the **ENTITY** will ensure the Federal funds and any interest earned on those funds while in escrow are returned to NRCS by the 31st calendar day. The **ENTITY** must ensure that the Federal funds are fully insured while held in escrow.

VII. RESPONSIBILITIES

A. ENTITY Responsibilities:

1. **ENTITY** will purchase agricultural land easements on eligible land from eligible landowners for the Parcels identified on the attachments to this Grant Agreement consistent with the requirements identified in this agreement. ACEP agricultural land easements are conservation easements conveyed for the purpose of protecting natural resources and the agricultural nature of the land and permits the landowner the right to continue agricultural production and related uses subject to an agricultural land easement plan, as specified in in this part.
2. **ENTITY** will ensure that agricultural land easements acquired with funds made available under this Grant Agreement and that the deeds satisfy the following requirements:
 - a. Address all of the minimum deed requirements identified at 7 CFR Section 1468.25(d);
 - b. Address the disposition of the agricultural land easement and the Federal share in the event the agricultural land easement is ever extinguished, terminated, or condemned in whole or in part.
 - c. Are conveyed for the purpose of protecting natural resources and the agricultural nature of the land;
 - d. Run with the land in perpetuity or where State law prohibits a permanent easement, for the maximum duration allowable under State law;
 - e. Protect the agricultural use, future viability, and related conservation value, of the Parcels by limiting nonagricultural uses of that land or protect grazing uses and related conservation values by restoring and conserving eligible land, including grasslands of special environmental significance;
 - f. Provide for the administration, management, and enforcement of the agricultural land easement by the **ENTITY** or its successors and assigns;
 - g. Permit effective enforcement of the conservation purposes of such easements;
 - h. Subject the Parcel to an agricultural land easement plan that meets that meets the requirements of this Section; and
 - i. Include the following United States Right of Enforcement:

Pursuant to 16 U.S.C. Section 3865 et seq., the United States is granted the right of enforcement that it may exercise only if the terms of the ALE are not enforced by the holder of the ALE. The Secretary of the United States Department of Agriculture (the Secretary) or his or her assigns, on behalf of the United States, may exercise this right of enforcement under any authority available under State or Federal law if the Grantee, or its successors or assigns, fails to enforce any of the terms of this ALE, as determined in the sole discretion of the Secretary.

In the event the United States exercises this right of enforcement, it is entitled to recover any and all administrative and legal costs associated with any enforcement or remedial action related to the enforcement of this easement from the Grantor, including, but not limited to attorney's fees or expenses related to Grantor's violations. In the event the United States exercises this right of enforcement, it is entitled to recover any and all administrative and legal costs associated with any enforcement of this easement from the Grantee, including, but not limited to attorney's fees or expenses related to Grantee's violations or failure to enforce the easement against the Grantor.

The Grantee will annually monitor compliance and provide the United States with an annual monitoring report that documents that the Grantee and Grantor are in compliance with the ALE and ALE plan. If the annual monitoring report is insufficient or is not provided annually, or if the United States has evidence of an unaddressed violation, as determined by the Secretary, the United States may exercise its right of inspection. For purposes of inspection and enforcement of the ALE, the ALE plan, and the United States Cooperative Agreement with the Grantee, the United States will have reasonable access to the Protected Property with advance notice to Grantee and Grantor or Grantor's representative.

In the event of an emergency, the United States may enter the Protected Property to prevent, terminate, or mitigate a potential or unaddressed violation of these restrictions and will give notice to Grantee and Grantor or Grantor's representative at the earliest practicable time.

3. ENTITY is authorized to use its own terms and conditions for the agricultural land easement deed and is required to ensure and certify to NRCS as a condition of payment that the agricultural land easement meets the minimum conditions in section VII.A.2 above. NRCS review of the agricultural land easement deed will not occur prior to payment or closing.
4. If NRCS determines that an agricultural land easement deed fails to meet the minimum conditions in section VII.A.2 above after the **ENTITY** has acquired the agricultural land easement, then the **ENTITY** must correct the agricultural land easement deed within 180 days of receiving written notice from NRCS.
5. The **ENTITY** will perform necessary legal and administrative actions to ensure proper acquisition and recordation of valid agricultural land easements.
6. The **ENTITY** will pay all costs of agricultural land easement acquisition and will operate and manage each agricultural land easement in accordance with its easement program, this Grant Agreement, 16 U.S.C. Section 3865 et seq. and applicable regulations. NRCS will have no responsibility for the costs or management of the agricultural land easements purchased by the **ENTITY** unless NRCS exercises the rights of the United States under an agricultural land easement.
7. NRCS will not be responsible for any costs, damages, claims, liabilities, and judgments arising from past, present, and future acts or omissions of the **ENTITY** in connection with its acquisition or management of the agricultural land easements acquired pursuant to this Grant Agreement. This includes but is not limited to acts and omissions of the **ENTITY** agents, successors, assigns, employees, contractors, or lessees that result in violations of any laws and regulations that are now or that may in the future become applicable.

8. The **ENTITY** will prepare a baseline documentation report documenting the condition of the Parcel as of the time the easement is acquired and include a completed baseline report in the payment request package submitted to NRCS pursuant to part VI. The baseline documentation report must contain maps, full descriptions and pictures of the Parcel location, existing structures and infrastructure, land use, land cover and its condition, and any special features for which the Parcel is being protected.
9. **ENTITY** will ensure completion of an agricultural land easement plan for each Parcel that must:
- Meet the requirements for an agricultural land easement plan specified in 7 CFR Section 1468.26(a);
 - Describe the activities that promote the long-term viability of the land to meet the purposes for which the Parcel was selected;
 - Identify required or recommended conservation or management practices or activities that address the purposes and resource concerns for which the Parcel was selected;
 - Require the management of any grasslands according to a grassland management plan or forest lands that exceed the greater of 40 acres or 20 percent of the Parcel according to a forest management plan;
 - Require a conservation plan that meets the requirements of 7 CFR Part 12 for any highly erodible cropland; and
 - Require, if specified prior to closing, the conversion of highly erodible cropland to less intensive uses.
10. **ENTITY** will choose one of the options below for completing the agricultural land easement plan by initialing the appropriate box when signing this Grant Agreement. **(Initial only one option):**
- A. **ENTITY** requests that NRCS personnel complete the agricultural land easement plan and **ENTITY** will coordinate with NRCS State office and landowner to ensure that the plan is completed and signed by the landowner prior to closing.
- B. **ENTITY** will complete the agricultural land easement plan without the assistance of NRCS personnel and at its own expense. **ENTITY** will ensure and certify to NRCS as a condition of payment that the plan is complete, meets NRCS standards and specifications or other applicable industry standards, and is signed by the landowner prior to closing. **ENTITY** will provide NRCS a copy of the signed agricultural land easement plan for each funded Parcel at the time the payment request is submitted. NRCS review of the agricultural land easement plan may occur prior to payment or closing.
11. In acquiring agricultural land easements, the **ENTITY** will ensure that the title to the lands or interests therein will be unencumbered or that outstanding or reserved interests are subordinated to the agricultural land easement. The **ENTITY** will review the title commitment to ensure there are no encumbrances that would allow nonagricultural uses of the property that are inconsistent with this Grant Agreement, 16 U.S.C. Section 3865 et seq., and applicable regulations. Any exceptions to the requirement to remove or subordinate outstanding or reserved interests must be consistent with this Grant Agreement, 16 U.S.C. Section 3865 et seq., and applicable regulations, and the **ENTITY's** determination and basis of acceptability documented on a certificate of use and consent or substantively similar document.
12. The **ENTITY** will secure proper title evidence using an owner's American Land Title Association (ALTA) policy with the **ENTITY** listed as the insured on the policy and the policy issued for the full amount of the agricultural land easement purchase price.
13. The **ENTITY** will obtain a determination of the fair market value of the agricultural land easement for each Parcel at its own cost using one of the methods set forth in 7 CFR Section 1468.24. Individual appraisals conducted by a certified general appraiser that conform to the Uniform Standards of Professional Appraisals Practices or the Uniform Appraisal Standards for Federal Land Acquisitions (Interagency Land Acquisition Conference, 2000) are an approved method and will not be reviewed by

NRCS prior to payment or closing. The effective date of the appraised value must be within 6 months prior to or after the date the Parcel is added to this agreement as a funded Parcel or within 12 months of the closing date of the agricultural land easement on the Parcel. Use of fair market valuation methodologies other than individual USPAP or UASFLA appraisals must be approved by NRCS in writing prior to entering into this Grant Agreement.

14. Within 30 days of recordation or request for reimbursement, whichever is sooner, the **ENTITY** will provide the NRCS a copy of the final recorded agricultural land easement deed, copy of the final policy of title insurance, and a copy of the certificate of use and consent or similar document.
15. The **ENTITY** will not use ACEP funds to acquire an easement in which the **ENTITY**'s employee or board member, with decision-making involvement in easement acquisition and management matters, has a property interest or whose immediate family member or household member has a property interest. The **ENTITY** agrees to conduct itself in a manner so as to protect the integrity of agricultural land easements it holds and avoid the appearance of impropriety or actual conflicts of interest in its acquisition and management of agricultural land easements.
16. The **ENTITY** will not at any time, when the **ENTITY** is named as a Grantee on the agricultural land easement, seek to acquire the remaining fee interest in the Parcel. Likewise, if the **ENTITY** enters into an agreement with another entity to manage or monitor the agricultural land easement, and that entity seeks to acquire the underlying fee, the **ENTITY** agrees to immediately terminate such agreement and arrange for an uninterested party to manage or monitor the Parcel.
17. The **ENTITY** will implement easement enforcement procedures when a violation of the agricultural land easement or agricultural land easement plan is identified by or reported to the **ENTITY**. **ENTITY** enforcement procedures resulting from a violation of a conservation plan can only be initiated after all administrative and appeal rights have been exhausted by the landowner in accordance with 7 CFR Part 12 and 7 CFR Part 614.
18. The **ENTITY** will submit a completed Federal Financial Report Standard Form 425 (FFRs) (exhibit 2) to the NRCS State office at least 5 business days prior to the end of each fiscal quarter (December 31, March 31, June 30, and September 30) for each quarter the **ENTITY** closes an agricultural land easement on a Parcel. Reports must be submitted on an accrual accounting basis. Failure to submit complete reports in accordance with the above schedule may result in suspension or termination of the Grant Agreement. A final FFR must be submitted no later than 90 days after the end date of the Grant Agreement.
19. At a minimum, the **ENTITY** will monitor every agricultural land easement on an annual basis to ensure and document compliance with the easement deed and agricultural land easement plan provisions. Each year the **ENTITY** will submit the annual monitoring report for that year to the appropriate NRCS State office in the format required by NRCS.
20. Nongovernmental organizations must continue to meet the definition of non-governmental organization in 7 CFR Section 1468.3 for the entire term of the agreement.
21. This paragraph and paragraphs 2, 4, 6, 7, 8, 9, 15, 16, 17, 18, 19 of this section VII.A will survive the closing of the agricultural land easement and the termination or expiration of this Grant Agreement.

B. NRCS Responsibilities:

1. The United States, by and through NRCS, will review applications submitted by the **ENTITY**, determine land and landowner eligibility, rank eligible applications, obtain and review a hazardous substance record search, conduct an onsite visit, and authorize Parcels to be added to the attachments to this Grant Agreement as tentatively selected for funding or as substitutes.
2. NRCS will provide technical and other services as requested and to extent its resources allow, to assist in developing an agricultural land easement plan that meets ACEP requirements and NRCS standards and specifications or other applicable industry standards.

3. NRCS will manage the funds obligated to this Grant Agreement and subject to the availability of funds, disburse the appropriate funds to the **ENTITY** in accordance with this Grant Agreement.
4. If the **ENTITY** will request an advance payment of the Federal share, NRCS will provide the **ENTITY** a copy of the "NRCS Closing Agent Requirements" to be signed and returned to NRCS.
5. Prior to NRCS disbursement of funds, the NRCS State Conservationist will verify that the **ENTITY** has provided all certifications and information required by sections VI and VII.A.
6. NRCS will certify payment and disburse funds, for Parcels listed as funded on the attachments to this Grant Agreement when the **ENTITY** has requested payment by the payment request deadline and acquired agricultural land easements on the funded Parcels by the closing deadline, consistent with the requirements of this agreement.
7. NRCS will conduct annual quality assurance reviews on at least 15 percent of the completed agricultural land easement transactions submitted for payment each fiscal year. NRCS will review the agricultural land easement deed, title clearance and final policy of title insurance, appraisal, the baseline documentation report, and agricultural land easement plan, for every parcel selected for quality assurance review to determine whether the easement is valid and compliant with the terms of this Grant Agreement and any subsequent amendments.
8. NRCS will review the annual monitoring reports provided by the **ENTITY** to ensure monitoring is conducted annually and submitted to NRCS annually for every NRCS-funded conservation easement held by the certified eligible entity. Each year NRCS will conduct a detailed review of 15 percent of the annual monitoring reports to ensure the enforcement and reporting requirements have been met.
9. NRCS will notify the **ENTITY** of deficiencies in writing and provide the **ENTITY** a specified period of time to correct the deficiencies. If deficiencies are not corrected to NRCS satisfaction, NRCS may pursue remedies including but not limited to the return of cost-share funds, decertification of the **ENTITY**, or termination of the Grant Agreement.
10. NRCS will assess **ENTITY** certification status pursuant to 7 CFR Section 1468.27 and the terms and conditions of this Grant Agreement. If during the quality assurance review or at any other time, NRCS finds that the **ENTITY** no longer meets the criteria in 7 CFR Section 1468.27 and this Grant Agreement NRCS will send written notice of proposed decertification, a list of outstanding deficiencies, and required remedies. The **ENTITY** will be provided a specified period of time, at a minimum 180 days unless a shorter timeframe is agreed to by the Parties, to correct the deficiencies. The **ENTITY** may contest the notice of decertification in writing to the Chief of NRCS within 20 calendar days of receipt of the notice of proposed decertification. The Chief will make a final determination and send formal notice to the **ENTITY**. NRCS may also determine if any further administrative action is necessary, including whether suspension and debarment action under 2 CFR Parts 180 and 417 should be initiated.

VIII. PUBLIC INFORMATION

- A. The **ENTITY** agrees to acknowledge NRCS cost-share assistance in any public outreach materials or events related to agricultural land easements acquired pursuant to this Grant Agreement and to provide draft copies of such information to the NRCS State office for review and comment before public release.
- B. The **ENTITY** agrees to comply with NRCS guidelines and requirements regarding the disclosure of information protected under section 1244 of the Food Security Act of 1985, 16 U.S.C. Section 3844, and section 1619 of the Food, Conservation, and Energy Act of 2008 (Public Law 110-246), 7 U.S.C. Section 8791.

IX. GENERAL PROVISIONS

- A. This Grant Agreement constitutes financial assistance and, therefore, all federal laws, regulations, and executive orders are applicable, including 2 CFR Parts 25, 170, 200, and 400.

- B. It is the intent of NRCS to fulfill its obligations under this Grant Agreement. However, NRCS cannot make commitments in excess of funds authorized by law or made administratively available. If NRCS cannot fulfill its obligations under this Grant Agreement because of the unavailability of funds, this Grant Agreement will automatically terminate.
- C. No assignment, in whole or in part, will be made of any right or obligation under this Grant Agreement without the joint approval of both NRCS and the **ENTITY**. Nothing herein will preclude NRCS or the **ENTITY** from entering into other mutually acceptable arrangements or agreements, except as identified in section VII.A.16 of this Grant Agreement. Such documents will be in writing, will reference this Grant Agreement, and will be maintained as part of the official Grant Agreement file.
- D. This Grant Agreement may be amended or modified by written amendment signed by the authorized officials of the NRCS and the **ENTITY**.
- E. NRCS may terminate this Grant Agreement if NRCS determines that the **ENTITY** has failed to comply with the provisions of this Grant Agreement or if it determines that it is in the best interests of the Federal Government to terminate. In the event that this Grant Agreement is terminated for any reason, the financial obligations of the Parties will be as set forth in 2 CFR Part 200, "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards."
- F. If any recipient of Federal funds under this Grant Agreement fails to comply with the terms and conditions of this Grant Agreement, NRCS reserves the right to wholly or partially recapture funds provided in accordance with applicable regulations.

X. ATTACHMENTS and EXHIBITS

Attachment 1 – Form NRCS-ADS-093, "Notice of Grant and Agreement Award"

Attachment A – List of Agricultural Land Easement Parcels funded by NRCS

Exhibit 1 – NRCS General Terms and Conditions – Grants and Cooperative Agreements

Exhibit 2 – Standard Form 425 (SF-425), "Federal Financial Report"

Exhibit 3 – Representation Regarding Felony Convictions and Tax Delinquent Status for Corporate Applicants (AD-3031)

Exhibit 4 - NRCS Form 230, "Confirmation of Matching Funds for general ACEP-ALE"

Exhibit 5 - SF-270, "Request for Advance/Reimbursement of Funds"

Exhibit 6 - SF-270 Supplement for Certified Entities

PROGRAM: ACEP Funds Authorized	
<hr/>	
Name/Title	Date
FNM: ACEP Funds Available	
<hr/>	
Name/Title	Date
Amount: \$ _____	
Acct. Code: _____	