

CONTINUATION
TO THE
NOTICE OF COOPERATIVE AGREEMENT AWARD
BETWEEN THE
AMERICAN SHEEP INDUSTRY (COOPERATOR)
AND THE
UNITED STATES DEPARTMENT OF AGRICULTURE
ANIMAL AND PLANT HEALTH INSPECTION SERVICE (APHIS)
VETERINARY SERVICES

Under the provisions of Article 19, Notice of Cooperative Agreement Award No. 09-9100-1231-CA is hereby continued for Fiscal Year 2010. All terms and conditions of this Agreement are presented below.

ARTICLE 1 - PURPOSE

The purpose of this Agreement is to facilitate the rapid eradication of scrapie by providing education to producers to encourage compliance with identification, record keeping and movement requirements of the eradication program and to enhance the ability of producers to identify and report affected animals. APHIS and the American Sheep Industry Association (ASI) will cooperate in the development of educational materials that will be overseen by ASI.

ARTICLE 2 - AUTHORITIES

Under the Animal Health Protection Act, as amended, (7 USC §§ 8401 et. seq.) (AHPA), the Secretary of Agriculture is authorized to issue regulations and orders and to carry out operations and measures to prevent, detect, control, and eradicate diseases and pests of livestock and to cooperate with other Federal agencies, States or political subdivisions of States, national governments of foreign countries, local governments of foreign countries, domestic or international organizations, domestic or international associations, Indian tribes and other persons to carry out the purposes of the AHPA.

Pursuant to 7 USC § 2279g, notwithstanding Chapter 63 of Title 31, APHIS is authorized to use cooperative agreements to reflect a relationship with a state or other cooperator to carry out programs to protect the nation's animal and plant resources or to carry out educational programs or special studies to improve the safety of the nation's food supply.

ARTICLE 3 – MUTUAL UNDERSTANDINGS AND RESPONSIBILITIES

The cooperating parties agree to/that:

a. A mutually satisfactory annual **Work Plan** and **Financial Plan** developed by the **Cooperator** and APHIS are incorporated into this **Agreement** by reference. If APHIS initially awards a reduced level of funding during a Continuing Resolution (CR), there will be a corresponding decrease in the projected accomplishments for the funding period. Upon extension of the CR or passage of an appropriation by Congress, revisions will be executed to increase the federal share, based on available funds, not to exceed the level reflected in the annual **Financial Plan**.

b. The provisions of this Agreement will not replace functions that are being conducted by the Cooperator but will supplement those activities and increase program benefits to all parties.

c. The employee(s) responsible for this work will be under the general program direction of the Cooperator and APHIS. Supervision of personnel will be provided by their employing organization, and they will be subject to their employing organizations rules and regulations.

ARTICLE 4 – COOPERATOR RESPONSIBILITIES

The Cooperator understands and agrees to/that:

a. Designate in writing to APHIS the Cooperator's authorized representative who shall be responsible for collaboratively administering the activities conducted under this Agreement.

b. Furnish personnel, as required, to accomplish the activities outlined in the Work Plan and Financial Plan.

c. The Cooperator's representative designated as required in Article 4.a shall certify and submit to APHIS' authorized representative properly certified quarterly accomplishment reports on activities outlined in the Work Plan and Financial Plan. The reports will be used by APHIS to verify compliance with provisions of this Agreement. Interim quarterly reports are due no later than 30 days after the end of each quarter and the final report is due no later than 90 days after the Agreement expires or terminates. For a program starting more than 45 days into a quarter, the first report will be due at the end of the next quarter. Any requests for an extension of time to submit the reports must be justified and made in writing to APHIS' authorized representative before expiration of the initial 30 or 90 day period allowed for submitting the report. Extensions of time to submit the reports are subject to the discretion of APHIS' authorized representative and, if allowed, shall be provided by the authorized representative in writing. When an agreement includes multiple projects covered by multiple Work Plans and Financial Plans, each project must be reported separately.

d. Submit to APHIS' designated representative properly certified quarterly Federal Financial Reports (FFR), no later than 30 days after the end of each quarter and a final FFR no later than 90 days after the Agreement expires or terminates. For a program starting more than 45 days into a quarter, the first report will be due at the end of the next quarter. Any requests for an extension of time to submit the FFR must be justified and made in writing to APHIS' authorized representative before expiration of the initial 30 or 90 day period allowed for submitting the report. Extensions of time to submit the FFR are subject to the discretion of APHIS' authorized representative and, if allowed, shall be provided by the authorized representative in writing. When an agreement includes multiple projects covered by multiple Work Plans and Financial Plans, each project must be reported on a separate FFR. Further, all federal funds reflected as unobligated on the final FFR will no longer be available for obligation by the Cooperator.

e. Treat any program income derived under this Agreement using the Deduction Alternative in accordance with the provisions of 7 CFR 3019.24(b)(3) which provides for a decrease in the financial contributions of each cooperating party to this project.

f. Submit to APHIS a properly certified Request for Advance or Reimbursement, SF-270, when requesting payment for expenditures. A payment request may be submitted quarterly or more frequently; however,

advance of funds will be made by APHIS in increments as indicated under 11.j of the SF-270 to cover monthly disbursement needs.

g. Obtain a Dun and Bradstreet (D&B) Data Universal Numbering System (DUNS) number by calling D&B at (800) 333-0505 (most expeditious) or visiting their website at <http://www.dnb.com/us>. This requirement does not apply to individuals applying for assistance, unless it supports a business or non-profit organization they operate. Upon obtaining the DUNS number, the Cooperator further agrees to register in the Central Contractor Registry (CCR) by visiting their website at <http://www.ccr.gov> (most expeditious) or calling 888-227-2423. The Cooperator also agrees to update the CCR information as necessary and to renew the registration annually prior to its expiration date. This registration will provide a means to receive electronic funds transfers of all payments requested on the SF-270. Cooperators without accounts at financial institutions can request waivers due to hardship because of physical or geographical barrier.

h. APHIS may withhold payments called for in Article 5.b under the conditions outlined in 7 CFR 3019.22(h), including failure to comply with project objectives, the terms and conditions of the award, and Federal reporting requirements; if the Cooperator or a sub-recipient is delinquent on debt to the United States, or such other conditions outlined in the cited regulations.

i. Comply with 7 CFR 3017, Subpart C to ensure that any subrecipients that carry out the provisions of this Agreement are not debarred or suspended. Subrecipients are required to disclose if they, or any of their principals, are presently excluded or disqualified.

j. Comply with and enforce the requirements for a drug-free workplace as mandated in 7 CFR 3021, "Governmentwide Requirements for Drug-Free Workplace".

k. Comply with and enforce the requirements in 7 CFR 3018.110 (d) (1) and (2) for completion of the Certification Regarding Lobbying and the SF-LLL, Disclosure of Lobbying Activities. Such certifications and disclosures apply to the Cooperator and any subgrants and subcontracts exceeding \$100,000.

l. When connected to the USDA, APHIS network, comply with the security guidelines as outlined in the USDA Cyber Security Manual Series 3500; including USDA Departmental Manual (DM) 3515, "Privacy Requirements", and USDA DM 3525, "USDA Internet Use and E-Mail Security". The Cooperator will not download any material (i.e., pictures, movies, or music files) bearing a copyright nor access any material defined as inappropriate in these regulations and directives. The Cooperator agrees that any of its personnel that are given access to the APHIS network, any systems on the APHIS network, or any personnel using APHIS owned computer equipment will take any APHIS required security and privacy training.

m. Work with the APHIS to ensure compliance with National Institute of Standards and Technology (NIST) system requirements and APHIS' Certification and Accreditation (C&A) standards. Specifically, the Cooperator will comply with NIST SP 800 – 37, "Guide for the Security Certification and Accreditation of Federal Information Systems"; NIST SP 800 – 53, "Recommended Security Controls for Federal Information Systems"; APHIS C&A Manual including APHIS C&A Templates; and any other relevant NIST and APHIS guides. Refer to the NIST website at <http://csrc.nist.gov/publications/nistpubs/index.html> to obtain copies of the NIST C&A publications.

n. When transmit frequency determining devices (transmitters) are owned by the Federal Government, the Federal Government will have responsibility for frequency support (frequency authorizations for fixed locations). If Cooperator-owned devices are provided, it will be the Cooperator's responsibility to obtain frequency support by application to the Federal Communications Commission for use of government frequencies,

or to obtain non government frequencies. All radio equipment will be maintained to original factory technical specifications. Mobile radio equipment removed from service will be kept at a central location with notification made to the designated Federal official. Notification of any changes, relocation, or removal of base stations or repeater stations in the system will be made to the APHIS Radio Communications Manager at Lakewood, Colorado, who will be available for technical guidance and, if needed, make periodic trips to monitor the system.

o. Maintain an inventory control system of property purchased by the **Cooperator** in whole or in part with Federal funds as required in the Section entitled "Equipment" of 7 CFR 3019.34. **Cooperators** shall conduct a physical inventory at least every two years and make available, as requested, the required records for review by APHIS. A copy of the reconciled final inventory report will be provided to APHIS as stated in Article 10 of this Agreement.

p. Provide an annual inventory report of any Federally-owned or Federally-leased equipment on loan to the **Cooperator** to include a description, manufacturer model and serial number, acquisition date and cost. A disposition request shall be made to APHIS when the property is no longer needed.

q. When the Federal share of total project costs as reflected in the **Financial Plan** is over \$100,000 and a cumulative transfer among direct cost categories is in excess of ten percent of the current approved total budget, the **Cooperator** will request written prior approval for the budget revision. The **Cooperator** will submit a revised SF-424A, Budget Information, and detailed **Financial Plan** under a cover letter to the APHIS awarding official containing a narrative justification for the proposed revision. Transfers of funds among programs, functions, or activities as indicated in Section B of the SF-424A is prohibited.

r. Comply with the requirements for coordination, development, and use of geospatial data as mandated in OMB Circular A-16, "Coordination of Geographic Information and Related Spatial Data Activities".

s. Meet the reporting requirements of the Federal Funding Accountability and Transparency Act by providing the following information. Parent organization DUNS number; primary place of performance street address, city, county, state, country and zip code; indicate if performance is in multiple counties and/or states; and provide any comments that might be relevant. APHIS will provide a supplemental sheet for the **Cooperator's** convenience in recording this information.

t. Pursuant to 31 USC 3706 and 7 CFR 3.10 to 7 CFR 3.21, any funds paid to a **cooperator** in excess of the amount to which the **cooperator** is finally determined to be entitled under the terms and conditions of the award constitute a debt to the Federal Government. If not paid within a reasonable period after the demand for payment, the Federal awarding agency may reduce the debt by:

- (1) Making an administrative offset against other requests for reimbursements.
- (2) Withhold advance payments otherwise due to the **Cooperator**
- (3) Taking other action permitted by statute.

Except as otherwise provided by law, the Federal awarding agency shall charge interest on an overdue debt in accordance with 4 CFR, Chapter II "Federal Claims Collection Standards" and 31 USC, Chapter 37.

u. Any information furnished to APHIS under this **Agreement** is subject to the Freedom of Information Act (5 USC 552).

w. Unless otherwise specified in the Work Plan, provide vehicles and other equipment for its employee(s) while performing the activities outlined in the Work Plan.

x. Comply with the Executive Order entitled "Federal Leadership on Reducing Text Messaging While Driving" signed by President Barack Obama on October 1, 2009, by prohibiting **Cooperator** employees, recipients, subrecipients, contractors, and subcontractors from texting while driving on official business and/or in Federally-owned, rented, or leased vehicles (collectively government owned vehicles) or privately owned vehicles when on official Government business or when performing any work for or on behalf of or in cooperation with the Federal government.

Further, APHIS encourages the **Cooperator** to implement--and to encourage its recipients, sub-recipients, contractors, and subcontractors, to implement--new rules and programs, and re-evaluate existing programs to prohibit text messaging while driving, and conduct education, awareness, and other outreach for its employees about the safety risks associated with texting while driving. These initiatives should encourage voluntary compliance with the text messaging policy while off duty.

For purposes of this requirement, the following definitions apply:

(1) "Texting" or "Text Messaging" means reading from or entering data into any handheld or other electronic device, including for the purpose of SMS texting, e-mailing, instant messaging, obtaining navigational information, or engaging in any other form of electronic data retrieval or electronic data communication.

(2) "Driving" means operating a motor vehicle on an active roadway with the motor running, including while temporarily stationary because of traffic, a traffic light or stop sign, or otherwise. It does not include operating a motor vehicle with or without the motor running when one has pulled over to the side of, or off, an active roadway and has halted in a location where one can safely remain stationary.

ARTICLE 5 – APHIS RESPONSIBILITIES

APHIS agrees to/that:

a. Designate Dr. Diane Sutton as its Authorized Departmental Officer's Designated Representative who shall be responsible for collaboratively administering the activities conducted under this **Agreement**.

b. Provide funds on an advance or reimbursable basis as payment of allowable, agreed-to costs incurred by the **Cooperator** in carrying out the terms of this **Agreement** in accordance with the **Work Plan and Financial Plan**.

c. Make advance payments, if requested by the **Cooperator**, monthly and upon receipt of a properly certified Request for Advance or Reimbursement, SF270.

d. Provide personnel and other resources to carry out its responsibilities as outlined in the **Work Plan and Financial Plan**.

e. Upon receipt of the final Federal Financial Report, provide written notification to the cooperator that the balance of Federal funds reported as unobligated will no longer be available to the **Cooperator**.

f. Provide special training to carry out assignments, as mutually deemed necessary.

ARTICLE 6 – UNEMPLOYMENT COMPENSATION

Actual costs incurred for unemployment insurance or equitable contributions made to a self-insured unemployment fund are allowable. APHIS does not allow payment of costs incurred for unemployment claims.

ARTICLE 7 – CONGRESSIONAL RESTRICTION

Under 41 USC 22, no member of or delegate to Congress shall be admitted to any share or part of this Agreement or to any benefit to arise therefrom.

ARTICLE 8 – APPLICABLE REGULATIONS

As a condition of this award, the Cooperator agrees to comply and require subrecipients to comply with the requirements contained in the United States Department of Agriculture's "Uniform Federal Assistance Regulations", 7 CFR 3015; "Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments", 7 CFR 3016; and/or "Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations", 7 CFR 3019; in addition to "Governmentwide Debarment and Suspension (Non-Procurement)", 7 CFR 3017; "Governmentwide Requirements for Drug-Free Workplace", 7 CFR 3021; "New Restrictions on Lobbying", 7 CFR 3018; and Office of Management and Budget regulations governing "Controlling Paperwork Burdens on the Public", 5 CFR 1320.

ARTICLE 9 – TITLE TO EQUIPMENT

APHIS reserves the right to transfer title to any equipment purchased partially or fully by the Cooperator under this Agreement with Federal funds within 120 days after the end of the Federal support of the project for which it was acquired. Upon transfer of title, the Cooperator will be entitled to compensation equal to its percentage of participation in the purchase of the equipment in the year purchased, applied to the fair market value in the year title is transferred.

ARTICLE 10 – PATENTS AND INVENTIONS

The Cooperator has the explicit duty of notifying APHIS' authorized representative, in writing, prior to the time of application for any patent or invention which is paid for in any manner or any percentage of funds provided by APHIS. This duty is not limited to the period during the Agreement, but may arise at any time during or subsequent to the Agreement. APHIS reserves to itself a royalty-free, nonexclusive, and irrevocable right to use and authorize others to use the product or invention produced under this Agreement for Government purposes. APHIS also retains the ability to force utilization of the patented invention by designating licenses in any field of use where the patentee has failed to act with reasonable diligence.

Any royalties or equivalent income earned during the effective period of this Agreement on patents or inventions derived under this Agreement shall be considered program income and treated under the provisions of 7 CFR 3019.24(b)(3).

ARTICLE 11 – COPYRIGHTS

APHIS reserves a royalty-free, nonexclusive, and irrevocable license to exercise, and to authorize others to exercise, the rights for Federal government purposes to copyrighted materials developed under this Agreement. Subject to this license, the owner is free to exercise, preserve, or transfer all its rights. The Cooperator shall ensure that no agreement is entered into for transferring the rights which would conflict with the nonexclusive license of APHIS.

Any royalties or equivalent income earned during the effective period of this Agreement on copyrighted material derived under this Agreement shall be considered program income and treated under the provisions of 7 CFR 3019.24(b)(3).

ARTICLE 12 – PUBLICATIONS AND AUDIOVISUALS

The final draft of any funded publication or audiovisual must be submitted by the Cooperator to APHIS' authorized representative prior to final printing, editing or release of the product so that APHIS can make a determination as to whether APHIS' participation in the project will be acknowledged. APHIS, furthermore, may require that the Cooperator modify or purge any acknowledgment of its support for activities conducted under this Agreement as a result of its review of a final draft. If APHIS has not responded within 30 days of receipt of the draft, the Cooperator will be free to proceed with publication without an acknowledgment. In the event that APHIS elects not to acknowledge the product, the Cooperator agrees not to attribute sponsorship by APHIS by any means including, but not limited to, publications, interviews, new releases, etc.

When an acknowledgment is desired by APHIS, unless otherwise instructed by APHIS, the statement shall read: "This material was made possible, in part, by a Cooperative Agreement from the United States Department of Agriculture's Animal and Plant Health Inspection Service (APHIS). It may not necessarily express APHIS' views."

Additionally, any other acknowledgment, including use of the APHIS Logo, by the Cooperator of APHIS support shall have the express written permission of APHIS signatory to this Agreement, which shall be requested through the APHIS representative designated under this Agreement.

ARTICLE 13 – BUY AMERICAN ACT

In the case of any equipment or product that may be authorized to be purchased with financial assistance provided using funds made available under the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act for the current Federal fiscal year, it is the sense of the Congress that entities receiving the assistance should, in expending the assistance, purchase only American-made equipment and products.

ARTICLE 14 – FUNDING PERIOD OBLIGATIONS AND EXTENSIONS

The funding period is the period during which this Agreement is in effect. Any funds not obligated by the Cooperator during the funding period will revert to APHIS upon the expiration or termination of this funding period. Under 7 CFR 3019.25, this Agreement is subject to a one-time extension of up to 12 months to complete this project. The Cooperator must submit a written request including an SF-424, Application for Federal Assistance, to extend the duration to be received by APHIS at least 10 days prior to the expiration of the funding period. The SF-424 must be accompanied by a justification explaining the reason for program delays, the program impact without the extension, and the anticipated completion date. During the extension period, financial and progress reports will continue with the same frequency as provided in the original funding period. As stated in 7 CFR 3019.25, requests for extension purely to obligate funds will be denied by APHIS. All extensions must be approved, in writing, by APHIS prior to the expiration of the original funding period.

ARTICLE 15 – NON-DISCRIMINATION CLAUSE

No person in the United States shall be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination in programs or activities funded in whole or in part by the United States Department of Agriculture based on race, color, national origin, age, disability, and, where applicable, sex, religion or political beliefs. Recipients will post a non-discrimination statement in accordance with USDA Departmental Regulation 4300-003 paragraph 7.b(2) found at <http://www.ocio.usda.gov/directives/doc/DR4300-003.pdf>.

ARTICLE 16 – TRAFFICKING IN PERSONS

APHIS, as the Federal awarding agency, hereby advises the Cooperator, as the recipient, that they are subject to the provisions of the Trafficking Victims Protection Act of 2000 (TVPA), as amended (22 USC 7104(g), as follows:

a. Provisions applicable to a recipient that is a private entity.

(1) You, as the recipient, your employees, subrecipients under this award, and subrecipients' employees may not –

(a) Engage in severe forms of trafficking in persons during the period of time that the award is in effect;

(b) Procure a commercial sex act during the period of time that the award is in effect; or

(c) Use forced labor in the performance of the award or subawards under the award.

(2) We as the Federal awarding agency may unilaterally terminate this award, without penalty, if you or a subrecipient that is a private entity –

(a) Is determined to have violated a prohibition in paragraph a.(1) of this award term; or

(b) Has an employee who is determined by the agency official authorized to terminate the award to have violated a prohibition in paragraph a.(1) of this award term through conduct that is either—

i. Associated with performance under this award; or

ii. Imputed to you or the subrecipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 CFR part 180, "OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement)," as implemented by our agency at 7 CFR 3017.

b. Provision applicable to a recipient other than a private entity. We as the Federal awarding agency may unilaterally terminate this award, without penalty, if a subrecipient that is a private entity –

(1) Is determined to have violated an applicable prohibition in paragraph a.(1) of this award term; or

(2) Has an employee who is determined by the agency official authorized to terminate the award to have violated an applicable prohibition in paragraph a.(1) of this award term through conduct that is either –

(a) Associated with performance under this award; or

(b) Imputed to the subrecipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 CFR part 180, "OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement)," as implemented by our agency at 7 CFR 3017.

c. Provisions applicable to any recipient.

(1) You must inform us immediately of any information you receive from any source alleging a violation of a prohibition in paragraph a.(1) of the award term.

(2) Our right to terminate unilaterally that is described in paragraph a.(2) or b of this section:

(a) Implements section 106(g) of the Trafficking Victims Protection Act of 2000 (TVPA), as amended (22 USC 7104(g)), and

(b) Is in addition to all other remedies for noncompliance that are available to use under this award.

(3) You must include the requirements of paragraph a.(1) of this award term in any subaward you make to a private entity.

d. Definitions. For purposes of this award term:

(1) "Employee" means either:

(a) An individual employed by you or a subrecipient who is engaged in the performance of the project or program under this award; or

(b) Another person engaged in the performance of the project or program under this award and not compensated by you including, but not limited to, a volunteer or individual whose services are contributed by a third party as an in-kind contribution toward cost sharing or matching requirements.

(2) "Forced labor" means labor obtained by any of the following methods: the recruitment, harboring, transportation, provision, or obtaining of a person for labor or services, through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery.

(3) "Private entity":

(a) Means any entity other than a State, local government, Indian tribe, or foreign public entity, as those terms are defined in 2 CFR 175.25.

(b) Includes:

i. A nonprofit organization, including any nonprofit institution of higher education, hospital, or tribal organization other than one included in the definition of Indian tribe at 2 CFR 175.25(b).

ii. A for-profit organization.

(4) "Severe forms of trafficking in persons," "commercial sex act," and "coercion" have the meanings given at section 103 of the TVPA, as amended (22 USC 7102).

ARTICLE 17 – FLY AMERICAN ACT

The Cooperator organization shall comply with section 5 of the International Air Transportation Fair Competitive Practices Act of 1974, 49 U.S.C. 1517 (Fly American Act), which requires:

a. Any air transportation to, from, between, or within a country, other than the U.S., of persons or property, the expense of which will be assisted by USDA funding, will be performed on a United States flag carrier if service provided by such carrier is "available."

b. For the purposes of the requirement:

(1) Passenger or freight service by a certified air carrier is considered "available" even though:

(a) Comparable or a different kind of service by a non-certificated air carrier costs less; or

(b) Service by a non-certificated air carrier can be paid for in excess foreign currency; or

(c) Service by a non-certificated air carrier is preferred by the recipient organization contractor or traveler needing air transportation.

(2) Passenger service by a certificated air carrier is considered to be "unavailable":

(a) When the traveler, while enroute, has to wait 6 hours or more for an available United States carrier: or

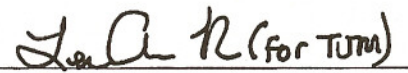
(b) When any flight by a U.S. carrier interrupted by a stop anticipated to be 6 hours or more for refueling, reloading, repairs, and so forth, and no other flight by a United States carrier is available during the 6 hour period: or

(c) When the flight by a United States carrier takes 12 or more hours longer than a foreign carrier.

ARTICLE 18 – FUNDING/EFFECTIVE PERIOD, REVISIONS, AND TERMINATION

The Federal award for this Agreement is in the amount of \$60,000 and the Cooperator's share is \$0 for a total project cost of \$60,000. These contributions establish a cost share ratio which shall be attained for the funding period except to the extent that there are cost overruns. Cost overruns will be the sole responsibility of the Cooperator, unless additional funding is secured from APHIS prior to the expiration of the funding period. In the event that project costs are less than projected, each party will realize a percentage of the savings to be distributed based on the established ratio. This Agreement shall become effective April 30, 2010, and shall continue through April 29, 2011, subject to continuation in writing by mutual agreement of the parties. Further, this Agreement may be amended at any time during the effective period by mutual agreement of the parties in writing. It may be terminated following provisions of 7 CFR 3019.

AMERICAN SHEEP INDUSTRY


Date 3/16/10UNITED STATES DEPARTMENT OF AGRICULTURE
ANIMAL AND PLANT HEALTH INSPECTION SERVICE
VETERINARY SERVICES
Date 3/23/10
Associate Deputy Administrator

Budget Object Class: 2551
Accounting Code: 052-9314-480
Amount: \$60,000

REVISION NO. 10-1
TO THE
NOTICE OF COOPERATIVE AGREEMENT AWARD
BETWEEN THE
AMERICAN SHEEP INDUSTRY (COOPERATOR)
AND THE
UNITED STATES DEPARTMENT OF AGRICULTURE
ANIMAL AND PLANT HEALTH INSPECTION SERVICE
VETERINARY SERVICES (APHIS)

Under the provisions of Article 18, the Cooperator and APHIS hereby mutually agree to revise terms and conditions of the Fiscal Year 2010 Notice of Cooperative Agreement Award 10-9100-1231-CA.

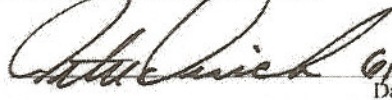
ARTICLE 18 is revised as indicated below.

ARTICLE 18 – FUNDING/EFFECTIVE PERIOD, REVISIONS, AND TERMINATION

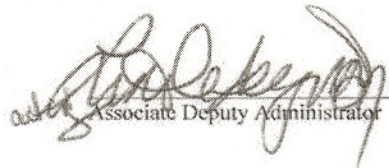
This Revision increases the Federal award amount by \$3,150 for a total award of \$63,150.00. The Cooperator's share will remain at \$0 for a total project cost of \$63,150.00. These contributions establish a cost share ratio which shall be attained for the funding period except to the extent that there are cost overruns. Cost overruns will be the sole responsibility of the **Cooperator**, unless additional funding is secured from APHIS prior to the expiration of the funding period. In the event that project costs are less than projected, each party will realize a percentage of the savings to be distributed based on the established ratio. This **Agreement** remains effective April 30, 2010, and shall continue through April 29, 2011, subject to continuation in writing by mutual agreement of the parties. Further, this **Agreement** may be amended at any time during the effective period by mutual agreement of the parties in writing. It may be terminated following provisions of 7 CFR 3019.

It is further understood by and between the parties that in all other respects, the original terms, conditions and provisions of said Agreement shall remain in full force and effect.

AMERICAN SHEEP INDUSTRY


Date 6/17/10

UNITED STATES DEPARTMENT OF AGRICULTURE
ANIMAL AND PLANT HEALTH INSPECTION SERVICE
VETERINARY SERVICES


Associate Deputy Administrator Date 6/25/10

Budget Object Class: 2551
Accounting Code: 052-9314-480
Amount: + \$3,150
Total Award: \$63,150

**DECISION MEMO FOR OUTGOING FUNDS
FISCAL YEAR 2010 PENDING AWARDS**

Agreement NO.: (if assigned) and type: ¹⁰09-9100-1231-CA (Scrapie - Sutton)

Cooperator Name: American Sheep Industry

Funding Level: amendment of existing FY 2010 agreement to add \$3,150 for total of \$63,150

1. What is the purpose of the agreement?

Scrapie program education for sheep and goat producers to encourage compliance with animal identification requirements, disease reporting and disease prevention. Accomplished through website, news articles, and producer outreach activities.

2. How does the purpose/agreement align with the agency's and Secretary's priorities?

The eradication of scrapie supports rural communities and prevents damage to the food supply. Producer education and outreach are essential the achieving the goal of scrapie eradication. Becoming scrapie-free will have a significant positive economic impact on sheep and goat producers, most of whom have small family operations, by enhancing export opportunities and by reducing byproduct disposal costs. Byproducts from mature sheep are discriminated against by pet food manufactures that are engaged in export due to scrapie; as a result much of this material is disposed of at a loss.

3. How is the agreement accomplishing its activities to achieve the results as stated in the agreement?

Provides: local producer education in approximately 30 states, writing and publication of at least two articles in the "Sheep News", and quarterly e-newsletters that are also posted on the ASI website.

4. Is the same amount of funding needed this year as last year to accomplish the goals in the agreement?

No, we are adding \$3,150 to create a brochure to encourage ID compliance and reporting of scrapie suspects by producers. Currently funded activities include funding for state outreach programs, publishing of two articles in the Sheep Industry News, and costs associated with the quarterly newsletter.

5. What performance information do you use to track accomplishments?

Qtrly performance reports and copies of articles and brochures produced

SIGNATURES:

Submitting officials:

ADODR: [Signature] Date: 6-10-10

Director (or designee): [Signature]

Agreement's Specialist: [Signature]

Approving official:

Deputy Administrator (or designee): [Signature] 6-11-10

Application for Federal Assistance SF-424		Version 02
*1. Type of Submission: <input type="checkbox"/> Preapplication <input checked="" type="checkbox"/> Application <input type="checkbox"/> Changed/Corrected Application		*2. Type of Application * If Revision, select appropriate letter(s) <input type="checkbox"/> New <input type="checkbox"/> Continuation <input checked="" type="checkbox"/> Revision A. Increase Award *Other (Specify) _____
3. Date Received:		4. Applicant Identifier:
5a. Federal Entity Identifier:		*5b. Federal Award Identifier: 10-9100-1231-CA
State Use Only:		
6. Date Received by State:		7. State Application Identifier:
8. APPLICANT INFORMATION:		
*a. Legal Name: American Sheep Industry Association		
*b. Employer/Taxpayer Identification Number (EIN/TIN): 84-0449271		*c. Organizational DUNS: 073132367
d. Address:		
*Street 1: <u>9785 Maroon Circle, Suite 360</u>		
Street 2: _____		
*City: <u>Centennial</u>		
County: <u>Douglas</u>		
*State: <u>CO</u>		
Province: _____		
*Country: <u>USA</u>		
*Zip / Postal Code <u>80112</u>		
e. Organizational Unit:		
Department Name: American Lamb Council		Division Name:
f. Name and contact information of person to be contacted on matters involving this application:		
Prefix: <u>Mr.</u>		*First Name: <u>Peter</u>
Middle Name: <u>A.</u>		
*Last Name: <u>Orwick</u>		
Suffix: _____		
Title: <u>Executive Director</u>		
Organizational Affiliation:		
*Telephone Number: 303-771-3500		Fax Number: 303-771-8200
*Email: <u>porwick@sheepusa.org</u>		

Application for Federal Assistance SF-424

Version 02

***9. Type of Applicant 1: Select Applicant Type:**
N.Nonprofit w/o 501C3 IRS Status(Oth Than High Edu
Type of Applicant 2: Select Applicant Type:

Type of Applicant 3: Select Applicant Type:

*Other (Specify)

***10 Name of Federal Agency:**
USDA / APHIS

11. Catalog of Federal Domestic Assistance Number:
10-025 _____

CFDA Title:
Plant Pest and Animal Diseases _____

***12 Funding Opportunity Number:**
N/A _____

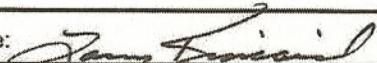
***Title:**

13. Competition Identification Number:
N/A _____

Title:

14. Areas Affected by Project (Cities, Counties, States, etc.):
USA

***15. Descriptive Title of Applicant's Project:**
Scrapie Eradication

Application for Federal Assistance SF-424		Version 02
16. Congressional Districts Of:		
*a. Applicant: Colorado #6		*b. Program/Project:
17. Proposed Project:		
*a. Start Date: 5/1/2010		*b. End Date: 4/30/2011
18. Estimated Funding (\$):		
*a. Federal	3150.00	
*b. Applicant		
*c. State		
*d. Local		
*e. Other		
*f. Program Income		
*g. TOTAL	3150.00	
*19. Is Application Subject to Review By State Under Executive Order 12372 Process?		
<input type="checkbox"/> a. This application was made available to the State under the Executive Order 12372 Process for review on _____ <input type="checkbox"/> b. Program is subject to E.O. 12372 but has not been selected by the State for review. <input checked="" type="checkbox"/> c. Program is not covered by E. O. 12372		
*20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes", provide explanation.)		
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
21. *By signing this application, I certify (1) to the statements contained in the list of certifications** and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U. S. Code, Title 218, Section 1001) <input checked="" type="checkbox"/> ** I AGREE ** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions		
Authorized Representative:		
Prefix: Mr.		*First Name: Larry
Middle Name: D.		
*Last Name: Kincaid		
Suffix:		
*Title: CFO		
*Telephone Number: 303-771-3500		Fax Number: 303-771-8200
* Email: larry@sheepusa.org		
*Signature of Authorized Representative: 		*Date Signed: 6/18/2010

AMENDMENT TO THE

Proposal made to the

U.S. Department of Agriculture's Animal and Plant Health Inspection Service's Veterinary Service

By the American Sheep Industry Association

Proposing a Cooperative Agreement for Fiscal Year 2010

The purpose of this cooperative agreement is to facilitate the rapid eradication of scrapie by providing education to producers to encourage compliance with the identification, record keeping and movement requirements of the eradication program and to enhance the ability of producers to identify and report affected animals. This year, additional emphasis will be placed on surveillance and ID compliance. The U.S. Department of Agriculture's Animal and Plant Health Inspection Service (APHIS) and the American Sheep Industry Association (ASI) will cooperate in the development of educational materials that will be overseen by ASI.

May 2010 through April 2011

Following is an outline of activities that ASI is submitting to APHIS for implementation within this time frame. The program entails:

1. Two Feature Articles in the *Sheep Industry News*
2. State Association Scrapie Outreach Activities Program
3. Four Field-Staff Relationship Building Communications

1. Feature Articles in the *Sheep Industry News*

GOAL: To continue to disburse current and updated information regarding the National Scrapie Eradication Program (NSEP) and/or other programs/issues that are affected by or closely related to the NSEP, such as traceability, to producers on a timely basis, via ASI's monthly publication, the *Sheep Industry News*.

Sheep Industry News. The *Sheep Industry News* (circ. 8,500) is the official publication of ASI and the U.S. sheep industry. Contents include timely articles on sheep health, sheep management, resource management, legislative initiatives and wool/textile issues as well as a detailed calendar of events.

The *Sheep Industry News* is read by sheep, lamb and wool producers; lamb feeders; agri-business leaders; journalists; educators; legislators and students.

The *Sheep Industry News* has been a forum for the distribution of animal-health information since its inception in 1997, as was its predecessor, the *National Lamb and Wool Grower Magazine*, which was published from 1911 to early 1997.

In addition, the *Sheep Industry News* is also a virtual document since it is posted each month to the www.sheepindustrynews.org Web site, where it is available via the internet. The reach of the publication is now world-wide and accessible through internet search engines.

Although ASI only contracts with APHIS to write two scrapie feature stories for the *Sheep Industry News*, it should be noted that any time new and additional information becomes available, ASI always publishes that information to keep its membership abreast of the latest developments.

2. Scrapie Outreach Activity Programs

GOAL: To allow for the development and distribution of NSEP information including related topics such as traceability, as it applies to sheep and goats, and the development of local and state projects to support scrapie eradication via U.S. sheep industry leader activities.

State Outreach Program. The State Outreach Activities portion of this proposal is impressive, both in terms of the number of projects as well as the diversity of activities that are conducted. Such a program allows for the selection/tailoring of activities as determined by those in state leadership positions, thereby allowing for the correlation of specific information for specific audiences on a state-by-state basis.

Under this proposal, each ASI member state, 45 in all, will be eligible to apply for funding. Since there is a limited amount of money to be delegated to the outreach activity, the amount of money each state will receive will depend on the number of states that apply for the dollars.

The states will be notified by ASI via mail of the availability of Scrapie Outreach Activity Program funds. They will be asked to complete and remit for approval an application on which they denote their intended use of the funding. All activities will require prior approval by ASI and will have to correlate to information distribution regarding scrapie eradication and/or other programs/issues that are affected by or closely related to the NSEP, such as traceability.

Examples of activities could include, but would not be limited to:

- Procuring speakers for meeting presentations (costs could include meeting expenses, speakers' fees, travel and lodging costs);
- Writing/printing/distribution of educational materials;
- Assistance at state meetings with sign-up for premises identification (with help from state veterinarian's office and/or AVIC office);

- Other activities related to distribution of information on NSEP and traceability for sheep and goats;
- Development of media that can be posted online for wider distribution; and
- Projects that assist USDA in the evaluation of official ID devices and associated equipment.

Recipients of Scrapie Outreach Activity Program funding will be required to submit a report detailing how the funds were spent and the measure of success achieved.

In FY 2009, 28 of the eligible 45 state members applied for funding under this program to enhance the scrapie eradication activities planned for their state/organization. Each state received a \$1,000 disbursement.

In FY 2010, there are again 45 eligible states to divide this portion of the cooperative agreement.

3. Field Staff Relationship Building Communications

GOAL: To build a line of communication with ancillary groups (state and federal partners) that work with or along side the sheep industry. These are people who may not receive regular communications from the industry and would benefit from additional information.

State and federal field staff play an integral part in the industry's ability to eradicate scrapie; however, this is a group of individuals that have not often been included in communications from the industry. To follow-through with communications to this group of state veterinarians and state and federal field staff (APHIS VMOs and AVICs), ASI proposes to continue the distribution of a quarterly newsletter providing industry information regarding scrapie and related topics to them. This has become the industry link that is currently missing from the chain.

This level of communication was expanded to include other ancillary groups that were not receiving regular communication from the sheep industry. It was also recommended by this group that the quarterly newsletter be posted to the ASI Web site so that they could forward the link to other interested parties.

group that the quarterly newsletter be posted to the ASI Web site so that they could forward the link to other interested parties.

4. "Be a Leader in the Fight Against Scrapie" Self-Mailer

GOAL: To create an informative and well-designed brochure focused on the mature sheep producer that provides the facts about the National Scrapie Eradication Program. Producers will be encouraged to be responsible sheep producers by helping their state reach its scrapie surveillance goals. This responsibility includes identifying all sexually intact sheep and goats before they leave the farm as well as to report any suspect animals.

ASI will rework the existing "SCRAPIE AND YOU: Be a leader in the fight against scrapie" brochure. The original piece was designed and written to attract the attention of the youth audience. The alterations that will need to be made to the current document to make it impactful to an adult audience include changing photos and replacing fonts.

The final size of the new brochure will also be different than that of the original one. Therefore, in order to include all of the existing text, it will be necessary to do a completely new layout. Changing the brochure to fit the requirements for a self-mailer will also directly impact the layout. Although only slight modifications will be needed to the copy, fitting the present content into a smaller space will have a direct impact on the way the brochure is laid out – essentially designing a completely new layout. Also, changing the brochure to be a self-mailer will impact the layout.

ASI staff will search the ASI photo archives to select the appropriate images to insure the most impact for this subject matter. It may also be necessary to purchase suitable backgrounds and fonts to create the desired effect.

SUMMARY

The projects listed above represent a multi-pronged approach to scrapie education/outreach. As noted in the proposed items, ASI is interested in and supportive of the expansion of subject matter pertaining to other animal health-related programs/issues.

ASI is also interested in additional mechanisms or vehicles, as they are identified, for assisting USDA/APHIS with educating the sheep industry on issues such as genetic resistance and bio-security disease risk and also in enhancing such activities as premises identification.

(See Attachment A for budget)

**Fiscal Year 2010
Cooperative Agreement Proposal to USDA/APHIS
Attachment A -- Budget**

Submitted by American Sheep Industry Association

Two Articles in the Sheep Industry News

Postage costs:	\$1,300.00
Copy space costs:	\$10,000.00
Set-up costs:	\$1,000.00
Writer costs:	\$3,640.00
Miscellaneous costs:	\$400.00
Posting to Web site costs:	\$1,520.00
Overhead costs:	\$1,786.00

TOTAL **\$19,646.00**

Scrapie Outreach Activity Programs

State Outreach Program:	
46 State Affiliates	\$32,000.00
Overhead costs:	\$3,200.00

TOTAL **\$35,200.00**

Four Field Staff Relationship Building Communications

Quarterly Newsletter (based on distribution of 500)	
Database management costs:	\$1,400.00
Postage costs:	\$1,000.00
Writer costs:	\$2,600.00
Overhead costs:	\$154.00

TOTAL **\$5,154.00**

TOTAL FOR ALL PROJECTS **\$60,000.00**

Amendment to the Current Agreement

Scrapie Brochure	
Planning:	\$1,120.00
Photo Selection:	\$350.00
Font Selection/Purchase:	\$280.00
Layout to accommodate size & self-mailer adjustments:	\$840.00
Proofing and revamping:	\$560.00

TOTAL **\$3,150.00**