

**§ 63.300**

**7 CFR Ch. I (1-1-12 Edition)**

sheep or goat industries on both a regional and national basis; and

(5) Adopt flexible and innovative approaches to solving the long-term needs of the United States sheep and goat industry.

(b) The NSIIC shall submit to the Secretary an annual strategic plan for the delivery of financial assistance provided by the NSIIC. A strategic plan shall identify:

- (1) Goals, methods, and a benchmark for measuring the success of carrying out the plan and how the plan relates to the national and regional goals of the NSIIC;
- (2) The amount and sources of Federal and non-Federal funds that are available for carrying out the plan;
- (3) Funding priorities;
- (4) Selection criteria for funding; and
- (5) A method of distributing funding.

**REVOLVING FUND**

**§ 63.300 Establishment.**

The NSIIC Revolving Fund established in the Treasury shall be available to the NSIIC, without fiscal year limitation, to carry out the authorized programs and activities of the NSIIC under this part. There shall be deposited in the Fund:

- (a) Such amounts as may be appropriated, transferred, or otherwise made available to support programs and activities of the NSIIC;
- (b) Payments received from any source for products, services, or property furnished in connection with the activities of the NSIIC;
- (c) Fees and royalties collected by the NSIIC from licensing or other arrangements relating to commercialization of products developed through projects funded, in whole or part, by grants or contracts executed by the NSIIC;
- (d) Donations or contributions accepted by the NSIIC to support authorized programs and activities. Such contributions shall be free from any encumbrance by the donor and the NSIIC shall retain complete control of their use; and
- (e) Any other funds acquired by the NSIIC.

**§ 63.301 Use of fund.**

The NSIIC shall use the Fund to:

(a) Make grants to eligible entities in accordance with a strategic plan submitted under § 63.310 of this part. Specifically, amounts in the Fund may be used to:

- (1) Participate with Federal and State agencies in financing activities that are in accordance with the strategic plan, including participation with several States in a regional effort;
- (2) Participate with other public and private funding sources in financing activities that are in accordance with the strategic plan, including participation in a regional effort;
- (3) Accrue interest;
- (4) Serve broad geographic areas and regions of diverse production, to the maximum extent practicable;
- (5) Only to supplement and not supplant Federal, State, and private funds expended for rural development;
- (6) For administration purposes, with a maximum 3 percent of the NSIIC Fund balance at the beginning of each fiscal year for the administration of the NSIIC; and

(b) Provide funds to eligible entities contingent upon that entity agreeing to account for the amounts using generally accepted accounting principles and to provide access to the Secretary for inspection and audit of such records.

**REPORTS, BOOKS, AND RECORDS**

**§ 63.400 Books and records.**

The Board and NSIIC shall:

- (a) Maintain such books and records, which shall be made available to the Secretary for inspection and audit as is appropriate for the administration or enforcement of the Act or rules and regulations issued thereunder;
- (b) Prepare and submit to the Secretary, from time to time, such reports as the Secretary may prescribe; and
- (c) Account for the receipt and disbursement of all funds entrusted to it. The NSIIC shall cause its books and records to be audited by an independent auditor at the end of each fiscal year, and a report of such audit to be submitted to the Secretary.