

for completeness and conformity with the following requirements. Only complete applications that meet the requirements listed below will be reviewed and evaluated competitively. Incomplete applications, including applications that do not originate from a nonprofit Native American CDC or a non-Indian CDC with a signed partnership agreement with the affected Indian tribe, will be returned to the applicants with a notation that they were unacceptable and will not be reviewed.

All applications must comply with the following requirements except as noted:

(a) The application must contain a signed Standard Form 424 Application for Federal Assistance, a Standard Form 424-A Budget Information for Non-Construction Projects, or signed Standard Form 424B Budget Information for Construction Projects. These forms must be completed according to instructions provided in this Program Announcement and must be signed by an official of the applicant organization who has legal authority to obligate the organization. The applicant's legal name as required on the SF-424 (Item 5) must match that listed as corresponding to the Employer Identification Number (Item 6);

(b) The application must include a project narrative that meets requirements set forth in this announcement.

(c) The application must contain documentation of the applicant's tax-exempt and community development corporation status as indicated in the "Additional Information on Eligibility" section of this announcement.

#### OCS Evaluation of Applications

Applications that pass the initial OCS screening will be reviewed and rated by a panel based on the program elements and review criteria presented in relevant sections of this program announcement.

The review criteria are designed to enable the review panel to assess the quality of a proposed project and determine the likelihood of its success. The criteria are closely related to each other and are considered as a whole in judging the overall quality of an application. The review panel awards points only to applications that are responsive to the program elements and relevant review criteria within the context of this program announcement.

The OCS Director and program staff use the reviewer scores when considering competing applications. Reviewer scores will weigh heavily in funding decisions, but will not be the only factors considered.

Applications generally will be considered in order of the average scores assigned by the review panel. Because other important factors are taken into consideration, highly ranked applications are not guaranteed funding. These other considerations include, for example: the timely and proper completion by the applicant of projects funded with OCS funds granted in the last five (5) years; comments of reviewers and government officials; staff evaluation and input; amount and duration of the grant requested and the proposed project's consistency and harmony with OCS goals and policy; geographic distribution of applications; previous program performance of applicants, including compliance with programmatic and financial reporting requirements; compliance with grant terms under previous HHS grants, including the actual dedication to program of mobilized resources as set forth in project applications; audit reports; investigative reports; and applicant's progress in resolving any final audit disallowance on previous OCS or other Federal agency grants.

#### VI. Award Administration Information

##### 1. Award Notices

90 days after the due date of applications.

The successful applicants will be notified through the issuance of a Financial Assistance Award document which sets forth the amount of funds awarded, the terms and conditions of the award, the effective date of the award, the budget period for which support is granted, and the total project period for which support is contemplated. The Financial Assistance Award will be signed and issued via postal mail by an authorized Grants Officer.

##### 2. Administrative and National Policy Requirements

45 CFR Part 74.

##### 3. Reporting Requirements

*Programmatic Reports:* Semi-annually with a final report due 90 days after the project end date.

*Financial Reports:* Semi-annually with a final report due 90 days after the project end date.

*Special Reporting Requirements:* None.

#### VII. Agency Contacts

##### Program Office Contact

Debra Brown, Office of Community Services, 370 L'Enfant Promenade, SW., Suite 500 West, Aerospace Building, Washington, DC 20447-0002, Email:

[ocs@lcgnet.com](mailto:ocs@lcgnet.com), Telephone: (800) 281-9519.

##### Grants Management Office Contact

Barbara Ziegler-Johnson, Office of Grants Management, Division of Discretionary Grants, 370 L'Enfant Promenade, SW., Aerospace Building, Washington, DC 20447-0002, Email: [ocs@lcgnet.com](mailto:ocs@lcgnet.com), Telephone: (800) 281-9519.

#### VIII. Other Information

Additional information about this program and its purpose can be located on the following Web site: <http://www.acf.hhs.gov/programs/ocs>.

Dated: May 11, 2004.

**Clarence H. Carter,**

*Director, Office of Community Services.*

[FR Doc. 04-11236 Filed 5-18-04; 8:45 am]

**BILLING CODE 4184-01-P**

## DEPARTMENT OF HEALTH AND HUMAN SERVICES

### Administration for Children and Families

#### Funding Opportunity: The Community Services Block Grant Program Community Economic Development Discretionary Grant Program—Priority Area: Incremental Development Projects

**AGENCY:** Administration for Children and Families, Office of Community Services.

*Announcement Type:* Initial.

*Funding Opportunity Number:* HHS-2004-ACF-OCS-ID-0022.

*CFDA Number:* 93.570.

*Due Date for Applications:* The due date for applications is July 19, 2004.

#### I. Funding Opportunity Description

The Community Services Block Grant (CSBG) Act of 1981, as amended, (Section 680 of the Community Opportunities, Accountability, and Training and Educational Services Act of 1998), authorizes the Secretary of the U.S. Department of Health and Human Services to make grants to provide technical and financial assistance for economic development activities designed to address the economic needs of low-income individuals and families by creating employment and business development opportunities. Pursuant to this Announcement, OCS will award incremental development project funds to eligible Community Development Corporations (CDCs) that do not have in place written commitments for all projected non-OCS funding, project operations and site control for their

planned economic development project. Low-income beneficiaries of such projects include those who are determined to be living in poverty as determined by the HHS Guidelines on Poverty (See Appendix A). They may be unemployed, on public assistance, including Temporary Assistance for Needy Families (TANF), are at risk teenagers, custodial and non-custodial parents, public housing residents, persons with disabilities and persons who are homeless.

#### Definitions of Terms

The following definitions apply:

**Beneficiaries**—Low-income individuals (as defined in the most recent annual revision of the Poverty Income Guidelines published by the U.S. Department of Health and Human Services) who receive direct benefits and low-income communities that receive direct benefits.

**Budget Period**—The time interval into which a grant period is divided for budgetary and funding purposes.

**Business Start-up Period**—Time interval within which the grantee completes preliminary project tasks. These tasks include but are not limited to assembling key staff, executing contracts, administering lease out or build-out of space for occupancy, purchasing plant and equipment and other similar activities. The Business Start-Up Period typically takes three to six months from the time OCS awards the grant or cooperative agreement.

**Cash contributions**—The recipient's cash outlay, including the outlay of money contributed to the recipient by the third parties.

**Community Development Corporation (CDC)**—A private non-profit corporation governed by a board of directors consisting of residents of the community and business and civic leaders, including religious leaders, which has as a principal purpose planning, developing, or managing low-income housing or community development activities. A CDC may be faith-based.

**Community Economic Development (CED)**—A process by which a community uses resources to attract capital and increase physical, commercial, and business development, as well as job opportunities for its residents.

**Construction projects**—Projects that involve land improvements and development or major renovation of (new or existing) facilities and buildings, fixtures, and permanent attachments.

**Cooperative Agreement**—An award instrument of financial assistance when

substantial involvement is anticipated between the awarding office, (the Federal government) and the recipient during performance of the contemplated project.

**Developmental/Research Phase**—The time interval during the Project Period that precedes the Operational Phase. Grantees accomplish preliminary activities during this phase including establishing third party agreements, mobilizing monetary funds and other resources, assembling, rezoning, and leasing of properties, conducting architectural and engineering studies, constructing facilities, etc.

**Displaced worker**—An individual in the labor market who has been unemployed for six months or longer.

**Distressed community**—A geographic urban neighborhood or rural community of high unemployment and pervasive poverty.

**Employment education and training program**—A program that provides education and/or training to welfare recipients, at-risk youth, public housing tenants, displaced workers, homeless and low-income individuals and that has demonstrated organizational experience in education and training for these populations.

**Empowerment Zone and Enterprise Community Project Areas (EZ/EC)**—Urban neighborhoods and rural areas designated as such by the Secretaries of Housing and Urban Development and Agriculture.

**Equity investment**—The provision of capital to a business entity for some specified purpose in return for a portion of ownership using a third party agreement as the contractual instrument.

**Faith-Based Community Development Corporation**—A community development corporation that has a religious character.

**Hypothesis**—An assumption made in order to test a theory. It should assert a cause-and-effect relationship between a program intervention and its expected result. Both the intervention and its result must be measured in order to confirm the hypothesis. The following is a hypothesis: "Eighty hours of classroom training will be sufficient for participants to prepare a successful loan application." In this example, data would be obtained on the number of hours of training actually received by participants (the intervention), and the quality of loan applications (the result), to determine the validity of the hypothesis (that eighty hours of training is sufficient to produce the result).

**Intervention**—Any planned activity within a project that is intended to produce changes in the target

population and/or the environment and that can be formally evaluated. For example, assistance in the preparation of a business plan is an intervention.

**Job creation**—New jobs, *i.e.*, jobs not in existence prior to the start of the project, that result from new business startups, business expansion, development of new services industries, and/or other newly-undertaken physical or commercial activities.

**Job placement**—Placing a person in an existing vacant job of a business, service, or commercial activity not related to new development or expansion activity.

**Letter of commitment**—A signed letter or agreement from a third party to the applicant that pledges financial or other support for the grant activities contingent only on OCS accepting the applicant's project proposal.

**Loan**—Money lent to a borrower under a binding pledge for a given purpose to be repaid, usually at a stated rate of interest and within a specified period.

**Non-profit Organization**—An organization, including faith-based and community-based, that provides proof of non-profit status described in the "Additional Information on Eligibility" section of this announcement.

**Operational Phase**—The time interval during the Project Period when businesses, commercial development or other activities are in operation, and employment, business development assistance, and so forth are provided.

**Outcome evaluation**—An assessment of project results as measured by collected data that define the net effects of the interventions applied in the project. An outcome evaluation will produce and interpret findings related to whether the interventions produced desirable changes and their potential for being replicated. It should answer the question: Did this program work?

**Poverty Income Guidelines**—Guidelines published annually by the U.S. Department of Health and Human Services that establish the level of poverty defined as low-income for individuals and their families. The guideline information is posted on the Internet at the following address: <http://www.hhs.aspe.gov/poverty/>.

**Process evaluation**—The ongoing examination of the implementation of a program. It focuses on the effectiveness and efficiency of the program's activities and interventions (for example, methods of recruiting participants, quality of training activities, or usefulness of follow-up procedures). It should answer the questions such as: Who is receiving what services and are the services being delivered as planned? It is also known

as formative evaluation, because it gathers information that can be used as a management tool to improve the way a program operates while the program is in progress. It should also identify problems that occurred, how the problems were resolved and what recommendations are needed for future implementation.

**Pre-Development Phase**—The time interval during the Project Period when an applicant or grantee plans a project, conducts feasibility studies, prepares a business or work plan and mobilizes non-OCS funding. Program income—Gross income earned by the grant recipient that is directly generated by an activity supported with grant funds.

**Project Period**—The total time for which a project is approved for OCS support, including any approved extensions.

**Revolving loan fund**—A capital fund established to make loans whereby repayments are re-lent to other borrowers.

**Self-employment**—The employment status of an individual who engages in self-directed economic activities.

**Self-sufficiency**—The economic status of a person who does not require public assistance to provide for his/her needs and that of his/her immediate family.

**Sub-award**—An award of financial assistance in the form of money, or property, made under an award by a recipient to an eligible sub-recipient or by a sub-recipient to a lower tier sub-recipient. The term includes financial assistance when provided by any legal agreement, even if the agreement is called a contract, but does not include procurement of goods and services nor does it include any form of assistance which is excluded from the definition of "award" in 45 CFR Part 74. (Note: Equity investments and loan transactions are not sub-awards.)

**Technical assistance**—A problem-solving event generally using the services of a specialist. Such services may be provided on-site, by telephone or by other communications. These services address specific problems and are intended to assist with immediate resolution of a given problem or set of problems.

**Temporary Assistance for Needy Families (TANF)**—The Federal block grant program authorized in Title I of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Public Law 104-193). The TANF program transformed "welfare" into a system that requires work in exchange for time-limited assistance.

**Third party**—Any individual, organization or business entity that is not the direct recipient of grant funds.

**Third party agreement**—A written agreement entered into by the grantee and an organization, individual or business entity (including a wholly owned subsidiary), by which the grantee makes an equity investment or a loan in support of grant purposes.

**Third party in-kind contributions**—Non-cash contributions provided by non-Federal third parties. These contributions may be in the form of real property, equipment, supplies and other expendable property, and the value of goods and services directly benefiting and especially identifiable to the project or program.

#### Project Goals

Community Economic Development (CED) projects should further HHS goals of strengthening American families and promoting their self-sufficiency, and OCS goals of promoting healthy families in healthy communities. The CED Program is particularly directed toward public-private partnerships that develop employment and business opportunities for low-income people and revitalize distressed communities.

#### Project Scope

Projects may include business startups, business expansions, development of new products and services, and other newly-undertaken physical and commercial activities. Projects must result in the creation of new jobs. Each applicant must describe the project scope including the low-income community to be served, business activities to be undertaken and the types of jobs to be created.

#### Community Economic Development Program

Priority Area: Incremental Development Projects (IDP)

Pursuant to this Program Announcement, OCS will award funds to eligible CDCs that do not have in place written commitments for all projected non-OCS funding, project operations and site control for their planned economic development project.

Community Economic Development Program funds for Priority Area: Incremental Development Projects are designed to encourage rural and urban community development corporations to create projects intended to provide employment and business development opportunities for low-income people through business or commercial development. Low income beneficiaries of such projects include those who are determined to be living in poverty as determined by the Health and Human Services (HHS) Guidelines of Poverty

(See Appendix A). They may be unemployed, on public assistance, including Temporary Assistance for Needy Families (TANF), or at risk teenagers, custodial and non-custodial parents, public housing residents, persons with disabilities and persons who are homeless. Grant funds under this priority area are intended to provide resources to eligible applicants (CDCs) but also have the broader objectives of arresting tendencies toward dependency, chronic unemployment, and community deterioration in urban and rural areas.

An eligible applicant must submit a business plan that shows the economic feasibility of the venture.

An applicant for an IDP must have: (1) All written commitments need not be in place; (2) All non-OCS funding necessary to complete the project need not be in place; (3) Third party agreements need not be in place (if applicable); and (4) Acquisition or site control need not be in place.

OCS will support an IDP under a cooperative agreement. A cooperative agreement is an award instrument of financial assistance used when substantial involvement is anticipated between OCS and the grantee during performance of the project. OCS will outline a plan of interaction with the grantee for implementation under the cooperative agreement. A schedule of tasks will be developed and agreed upon in addition to any special conditions relating to the implementation of the project.

The duties and responsibilities of the applicant and ACF/OCS in fulfilling the Cooperative Agreement during each phase will include the following:

- Responsibilities of the grantee:**
- To implement activities described in the approved project description;
  - Develop and implement work plans that will ensure that the services and activities included in the approved application address the goals and objectives of the approved project in an efficient, effective and timely manner;
  - Submit regular semi-annual Financial Status (Standard Form 269) and progress reports that describe activities including, at a minimum, (a) information about the actions taken to implement the proposed project, and (b) the proposed plan for outcomes measurement and program evaluation of the activities supported with Federal funds.
  - Work cooperatively and collaboratively with ACF officials, other Federal agency officials conducting related activities, and other entities or organizations contracted by ACF to assist in carrying out the purposes of the

Community Economic Development Program; such cooperation and collaboration shall include, but not be limited to, providing requested financial and programmatic information, creating opportunities for interviews with agency officials and staff, and allowing on-site observation of activities supported under the cooperative agreement;

- Notify the Office of Community Services Project Officer if revisions are needed to the cooperative agreement;
- Consult with the Office of Community Services project officer in implementing the activities on an on-going and frequent basis during each phase of the project;

- Comply with Community Economic Development Program regulations (unless otherwise expressly waived in the approved application) and all other applicable Federal statutes and regulations in effect during the time that applicant is receiving grant funding;

- Notify the Federal Project Officer of any key personnel changes in writing;
- Ensure that the executive director and/or project director, and the evaluator attend a two-day national workshop in Washington, DC. The workshop will be scheduled shortly after the effective date of the grant award. Additionally, the project director should plan annual meetings with their program and grants management specialists each year, thereafter, during the life of the grant. The evaluator should also attend a final evaluation workshop to be held at the end of the project period. Project budgets must include funds from the OCS award for travel to and attendance at these meetings and workshops; and

*Responsibilities of ACF/OCS:*

- To provide consultation to the grantee with regard to the development of the work plan, approaches to address problems that arise, and identification of areas needing technical assistance;

- To consult with and to provide the grantee the data collection requirements of OCS, and to keep the grantee informed of policy developments as they affect the implementation of the project;

- To provide timely review, comment and decisions on significant project documents;

- To assist in resolving issues or problems with regard to the grantee's ability to carry out the full range of activities included in the approved application in the most efficient and effective manner;

- To promptly review written requests for approval of deviations from the project description or approved budget.

- To assist in evaluation of any proposed subcontractors who will perform substantive work under this project.

An applicant requesting funding for an IDP must request the total amount of CED funding needed for the project on the SF424, Application for Federal Assistance. The maximum CED award for an IDP can be no more than \$700,000 per project.

Applications that are exclusively for construction may have project periods of up to five years with continuation funding every twelve months. First year funding will be awarded for up to 20% of the requested total amount, not to exceed \$140,000. The application must also include an incremental budget based on the design of the project for the four remaining years, not to exceed the balance of the total requested funding. A minimum of 2% of the award, or a minimum of \$14,000, must be set aside for each continuation year.

Non-construction projects may have project periods of up to three years with continuation funding every twelve months. First year funding will be awarded for up to 20% of the total requested amount, not to exceed \$140,000. The applicant must also include an incremental budget based on the design of the project for the two remaining years, not to exceed the balance of the total requested funding. A minimum of 2% of the award, or a minimum of \$14,000, must be set aside for each continuation year.

Funding beyond the first 20% is dependent on a grantee's documenting (1) site control, (2) all of the non-CED funding required to complete the project and (3) referral sources. In addition, continuing funding will be subject to the availability of funds, satisfactory progress by the grantee on the project and a determination that continuation is in the best interests of the Federal Government. The decision to continue funding the project is at the sole discretion of OCS.

Applicants awarded a FY 2003 Incremental Development Project (IDP) grant cannot receive a second IDP grant until the first grant is significantly complete and has met most of its proposed goals and objectives. Particular attention will be paid to satisfying all job creation commitments.

Applicants awarded a FY 2002 or FY 2003 Incremental Development Project (IDP) award cannot receive a second IDP award until the first project is complete and has met most of its proposed goals and objectives. Particular attention will be paid to satisfying all job creation commitments.

Furthermore, applicants that have not completed a previously awarded IDP award are not eligible to receive another IDP award during the one year period following the end of the project period of the last IDP grant award.

## II. Award Information

*Funding Instrument Type:* Cooperative Agreements (See Section I above for a description of Federal involvement in the cooperative agreements).

*Anticipated total Priority Area Funding:* \$1,120,000 in FY2004.

*Anticipated Number of Awards:* 8—10.

*Ceiling on Amount of Individual Awards:* \$700,000 per project.

The first increment of an Incremental Development Project may not exceed \$140,000. An application that exceeds the upper value of the dollar range specified will be considered "non-responsive" and be returned to the applicant without further review.

*Floor of Individual Award Amounts:* None.

*Average projected Award Amount:* \$112,000 per initial budget period.

## III. Eligibility Information

### 1. Eligible Applicants

Nonprofits having a 501 (c) (3) status with the IRS, other than institutions of higher education. Nonprofits that do not have a 501 (c) (3) status with the IRS, other than institutions of higher education. Faith-based community development corporations are eligible to apply.

An applicant must be a private, non-profit Community Development Corporation (CDC). For purposes of this grant program, the CDC must be governed by a Board of Directors consisting of residents of the community and business and civic leaders. The CDC must have as a principal purpose planning, developing, or managing low-income housing or community development activities.

*Additional Information on Eligibility:*

Applications that do not include proof of nonprofit status with their application will be disqualified.

Any non-profit organization submitting an application must submit proof of its non-profit status in its application at the time of submission. The non-profit agency can accomplish this by providing:

(a) a reference to the applicant organization's listing in the Internal Revenue Service's (IRS) most recent list of tax-exempt organizations described in the IRS Code;

(b) a copy of a currently valid IRS tax exemption certificate;

(c) a statement from a State taxing body, State attorney general, or other appropriate State official certifying that the applicant organization has a non-profit status and that none of the net earnings accrue to any private shareholders or individuals;

(d) a certified copy of the organization's certificate of incorporation or similar document that clearly establishes non-profit status;

(e) or any of the items referenced above for a State or national parent organization and a statement signed by the parent organization that the applicant organization is a local non-profit affiliate.

Private, non-profit organizations are encouraged to submit with their applications the survey located under "Grant Related Documents and Forms" titled "Survey for Private, Non-Profit Grant Applicants" at <http://www.acf.hhs.gov/programs/ofsf/forms.htm>. Participation of lack of participation in the survey will not affect an applicant's score or otherwise affect ACF's funding decisions.

Applicants that do not include proof of CDC status in the application will be disqualified.

An applicant must be a private, non-profit Community Development Corporation. For purposes of this grant program, the CDC must be governed by a Board of Directors consisting of residents of the community and business and civic leaders. The CDC must have as a principal purpose, planning, developing, or managing low-income housing or community development projects.

Applicants must document their eligibility as a CDC for the purposes of this grant program. The application must include a list of governing board members along with their designation as a community resident, or business or civic leader. In addition, the application must include documentation that the organization has as a primary purpose planning, developing or managing low income housing or community development activities. This documentation may include incorporation documents or other official documents that identify the organization.

#### 2. Cost Sharing or Matching: None.

There is no cost sharing or matching requirement but most economic development projects require significant funding in addition to the federal CED funds so applicants are strongly encouraged to mobilize the resources needed for a successful project. The ability to mobilize resources is considered in evaluating the feasibility of a proposal.

### 3. Other

On June 27, 2003, the Office of Management and Budget published in the **Federal Register** a new Federal policy applicable to all Federal grant applicants. The policy requires all Federal grant applicants to provide a Dun and Bradstreet Data Universal Numbering System (DUNS) number when applying for Federal grants or cooperative agreements on or after October 1, 2003. The DUNS number will be required whether an applicant is submitting a paper application or using the government-wide electronic portal (<http://www.Grants.gov>). A DUNS number will be required for every application for a new award or renewal/continuation of an award, including applications or plans under formula, entitlement and block grant programs, submitted on or after October 1, 2003.

Please ensure that your organization has a DUNS number. You may acquire a DUNS number at no cost by calling the dedicated toll-free DUNS number request line on 1-866-705-5711 or you may request a number on-line at <http://www.dnb.com>.

### IV. Application and Submission Information

#### 1. Address To Request Application Package

Office of Community Services, Operations Center, 1815 North Fort Myer Drive, Suite 300, Arlington, Virginia 22209, Email: [ocs@lcgnet.com](mailto:ocs@lcgnet.com), Telephone: (800) 281-9519.

#### 2. Content and Form of Application Submission

##### A. Application Content

Each application must include the following components:

1. Table of Contents.
2. Abstract of the Proposed Project—one or two paragraphs, not to exceed 350 words, that describe the community in which the project will be implemented, beneficiaries to be served, type(s) of business(es) to be developed, type(s) of jobs to be created, projected cost-per-job, any land or building to be purchased or building constructed, resources leveraged and intended impact on the community.

3. Completed Standard Form 424—that has been signed by an official of the organization applying for the grant who has legal authority to obligate the organization. Under Box 11, indicate the Priority Area for which the application is written.

4. Standard Form 424A—Budget Information-Non-Construction Programs.

5. Standard Form 424B—Assurances-Non-Construction Programs.

6. Narrative Budget Justification—for each object class category required under Section B, Standard Form 424A.

Applicants are encouraged to use job titles and not specific names in developing the application budget.

However, the specific salary rates or amounts for staff positions identified must be included in the application budget.

7. Project Narrative—A narrative that addresses issues described in the "Application Review Information" and the "Review and Selection Criteria" sections of this announcement.

#### B. Application Format

Submit application materials on white 8½ x 11 inch paper only. Do not use colored, oversized or folded materials.

Do not include organizational brochures or other promotional materials, slides, films, clips, etc.

The font size may be no smaller than 12 pitch and the margins must be at least one inch on all sides.

Number all application pages sequentially throughout the package, beginning with the abstract of the proposed project as page number one.

Present application materials either in loose-leaf notebooks or in folders with pages two-hole punched at the top center and fastened separately with a slide paper fastener.

Each application should include one signed original and two additional copies.

#### C. Page Limitation

The application package including sections for the Table of Contents, Project Abstract, Project and Budget Narratives, business and work plans must not exceed 60 pages. The page limitation does not include Standard Forms and Assurances, Certifications, Disclosures, appendices and any supplemental documents as required in this announcement.

An application that exceeds the page limitation will be considered "non-responsive" and be returned to the applicant without further review.

#### D. Required Standard Forms

Applicants must submit a signed Standard Form 424, Application for Federal Assistance, Standard Form 424A Budget Information—Non-Construction Projects, and Standard Form 424B Assurances—Non-Construction Programs.

Applicants must provide a certification regarding lobbying when applying for an award in excess of \$100,000. Applicants must sign and

return the certification with their applications.

Applicants must disclose lobbying activities on the Standard Form LLL when applying for an award in excess of \$100,000. Applicants who have used non-Federal funds for lobbying activities in connection with receiving assistance under this announcement shall complete a disclosure form to report lobbying. Applicants must sign and return the disclosure form, if applicable, with their applications.

Applicants must make the appropriate certification of their compliance with all Federal statutes relating to nondiscrimination. Applicants provide certification by signing the SF424 and need not mail back the certification with the application.

Applicants must make the appropriate certification of their compliance with the requirements of the Pro-Children Act of 1994 as outlined in Certification Regarding Environmental Tobacco Smoke. Applicants provide certification by signing the SF424 and need not mail back the certification with the application.

3. Submission Date and Times

The closing time and date for receipt of applications is 4:30 p.m. Eastern Standard Time (EST) on July 19, 2004. Mailed or hand carried applications received after 4:30 p.m. on the closing date will be classified as late.

*Deadline:* Mailed applications shall be considered as meeting an announced deadline if they are received on or before the deadline time and date at the U.S. Department of Health and Human Services, Administration for Children and Families, Office of Community Services Operations Center, 1815 Fort Myer Drive, Suite 300, Arlington, Virginia 22209, Attention: Operations Center. Applicants are responsible for mailing applications well in advance, when using all mail services, to ensure that the applications are received on or before the deadline time and date.

Applications hand carried by applicants, applicant couriers, other representatives of the applicant, or by overnight/express mail couriers shall be considered as meeting an announced deadline if they are received on or before the deadline date, between the hours of 8 a.m. and 4:30 p.m., Eastern

Standard Time (EST), at the U.S. Department of Health and Human Services (HHS), Administration for Children and Families, Office of Community Services Operations Center, 1815 North Fort Myer Drive, Suite 300, Arlington, Virginia 22209, between Monday and Friday (excluding Federal holidays). This address must appear on the envelope/package containing the application with the note: "Attention: Operations Center". Applicants are responsible for express/overnight mail services delivery.

*Late applications:* Applications which do not meet the criteria above are considered late applications. ACF shall notify each late applicant that its application will not be considered in the current competition.

*Extension of deadlines:* ACF may extend application deadlines when circumstances such as acts of God (floods, hurricanes, etc.) occur, or when there are widespread disruptions of mail service. Determinations to extend or waive deadline requirements rest with the Chief Grants Management Officer.

Required Forms:

What to submit	Required content	Required form or format	When to submit
Table of Contents .....	As described above .....	Consistent with guidance in "Application Format" section of this announcement.	By application due date.
Survey for Private, Non-Profit Applicants.	Per required form .....	May be found on <a href="http://www.acf.hhs.gov/programs/ofs/forms.htm">http://www.acf.hhs.gov/programs/ofs/forms.htm</a> .	By application due date.
Abstract of Proposed Project .....	Identifies project, the target population and the major elements of the proposed project.	Consistent with guidance in "Application Format" section of this announcement.	By application due date.
Completed Standard Form 424 .....	As described above and per required form.	May be found on <a href="http://www.acf.hhs.gov/programs/ofs/forms.htm">http://www.acf.hhs.gov/programs/ofs/forms.htm</a> .	By application due date.
Completed Standard Form 424A .....	As described above and per required form.	May be found on <a href="http://www.acf.hhs.gov/programs/ofs/forms.htm">http://www.acf.hhs.gov/programs/ofs/forms.htm</a> .	By application due date.
Completed Standard Form 424B .....	As described above and per required form.	May be found on <a href="http://www.acf.hhs.gov/programs/ofs/forms.htm">http://www.acf.hhs.gov/programs/ofs/forms.htm</a> .	By application due date.
Narrative Budget Justification .....	As described above .....	Consistent with guidance in "Application Format" section of this announcement.	By application due date.
Project Narrative .....	A narrative that addresses issues described in the "Application Review Information" and the "Review and Selection Criteria" sections of this announcement.	Consistent with guidance in "Application Format" section of this announcement.	By application due date.
Certification regarding lobbying .....	As described above and per required form.	May be found on <a href="http://www.acf.hhs.gov/programs/ofs/forms.htm">http://www.acf.hhs.gov/programs/ofs/forms.htm</a> .	By application due date.
Certification regarding environmental tobacco smoke.	As described above and per required form.	May be found on <a href="http://www.acf.hhs.gov/programs/ofs/forms.htm">http://www.acf.hhs.gov/programs/ofs/forms.htm</a> .	By application due date.

*Additional Forms:* Private-non-profit organizations are encouraged to submit with their applications the additional

survey located under "Grant Related Documents and Forms" titled "Survey

for Private, Non-Profit Grant Applicants."

What to submit	Required content	Required form or format	When to submit
Survey for Private, Non-Profit Grant Applicants.	Per required form .....	May be found on <a href="http://www.acf.hhs.gov/programs/ofs/forms.htm">http://www.acf.hhs.gov/programs/ofs/forms.htm</a> .	By application due date.

4. Intergovernmental Review

State Single Point of Contact (SPOC)

This program is covered under Executive Order 12372, "Intergovernmental Review of Federal Programs," and 45 CFR Part 100, "Intergovernmental Review of Department of Health and Human Services Programs and Activities." Under the Order, States may design their own processes for reviewing and commenting on proposed Federal assistance under covered programs. As of October 1, 2003, the following jurisdictions have elected not to participate in the Executive Order process. Applicants from these jurisdictions or for projects administered by federally-recognized Indian Tribes need take no action in regard to E.O. 12372:

All States and Territories except Alabama, Alaska, Arizona, Colorado, Connecticut, Hawaii, Idaho, Indiana, Kansas, Louisiana, Minnesota, Montana, Nebraska, New Jersey, Ohio, Oklahoma, Oregon, Pennsylvania, South Dakota, Tennessee, Vermont, Virginia, Washington, Wyoming and Palau have elected to participate in the Executive Order process and have established Single Points of Contact (SPOCs). Applicants from these twenty-five jurisdictions need take no action.

Although the jurisdictions listed above no longer participate in the process, entities which have met the eligibility requirements of the program are still eligible to apply for a grant even if a State, Territory, Commonwealth, etc. does not have a SPOC. All remaining jurisdictions participate in the Executive Order process and have established SPOCs. Applicants from participating jurisdictions should contact their SPOCs as soon as possible to alert them of the prospective applications and receive instructions. Applicants must submit any required material to the SPOCs as soon as possible so that the program office can obtain and review SPOC comments as part of the award process. The applicant must submit all required materials, if any, to the SPOC and indicate the date of this submittal (or the date of contact if no submittal is required) on the Standard Form 424, item 16a. Under 45 CFR 100.8(a) (2), a SPOC has 60 days from the application deadline to

comment on proposed new or competing continuation awards.

SPOCs are encouraged to eliminate the submission of routine endorsements as official recommendations.

Additionally, SPOCs are requested to clearly differentiate between mere advisory comments and those official State process recommendations which may trigger the "accommodate or explain" rule.

When comments are submitted directly to ACF, they should be addressed to: Department of Health and Human Services, Administration for Children and Families, Division of Discretionary Grants, 370 L'Enfant Promenade, SW., Mail Stop 6C-462, Washington, DC 20447.

A list of the Single Points of Contact for each State and Territory is included with the application materials for this announcement.

5. Funding Restrictions

Cost Per Job

OCS will not fund projects with a cost-per-job in CED funds that exceeds \$10,000. An exception will be made if the project includes purchase of land or a building, or major renovation or construction of a building. In this instance, the applicant must explain the factors that raise the cost beyond \$10,000. In no instance, will OCS allow for more than \$15,000 cost-per-job in CED funds. Cost per job is calculated by dividing the number of jobs to be created by the amount of the CED grant request.

National Historic Preservation Act

If an applicant is proposing a project which will affect a property listed in, or eligible for, inclusion in the National Register of Historic Places, it must identify this property in the narrative and explain how it has complied with the National Historic Preservation Act of 1996, as amended. If there is any question as to whether the property is listed in or eligible for inclusion in the National Register of Historic Places, the applicant must consult with the State Historic Preservation Officer and describe in the narrative the content of such consultation.

Sub-Contracting or Delegating Projects

OCS will not fund any project where the role of the applicant is primarily to

serve as a conduit for funds to organizations other than the applicant. The applicant must have a substantive role in the implementation of the project for which funding is requested. This prohibition does not bar the making of sub-grants or sub-contracting for specific services or activities needed to conduct the project.

Number of Projects in Application

Each application may include only one proposed project.

Prohibited Activities

OCS will not consider applications that propose to establish Small Business Investment Corporations or Minority Enterprise Small Business Investment Corporations.

OCS will not fund projects that are primarily education and training projects. In projects where participants must be trained, any funds proposed for training must be limited to specific job-related training to those individuals who have been selected for employment in the grant supported project. Projects involving training and placement for existing vacant positions will be disqualified from competition.

OCS will not fund projects that would result in the relocation of a business from one geographic area to another resulting in job displacement.

Pre-award costs will not be covered by an award.

6. Other Submission Requirements

Private Nonprofit Community Development Corporation

Applicants must provide proof of nonprofit status and proof of status as a community development corporation as required by statute and as described under "Additional Information on Eligibility."

Sufficiency of Financial Management System

Because CED funds are Federal, all grantees must be capable of meeting the requirements of 45 CFR Part 74 concerning their financial management system. To assure that the applicant has such capability, applications must include a signed statement from a Certified or Licensed Public Accountant as to the sufficiency of the CDCs financial management system in accordance with 45 CFR 74 and financial statements for the CDC for the

prior three years. If such statements are not available because the CDC is a newly formed entity, the application must include a statement to this effect. The CDC grantee is responsible for ensuring that grant funds expended by it and the third party are expended in compliance with Federal regulations of 45 CFR, Part 74 and OMB Circular A-122.

#### Business Plan

Applicants for Priority Area 2. Incremental Development Projects, must submit a business plan. For incubator or microenterprise development projects, the business plan covers the project, not the individual business plans of beneficiaries.

The business plan is a major component that will be evaluated by an expert review panel, OCS and OGM to determine the feasibility of a business venture or other economic development project. It must address all the relevant elements as follows:

(1) EXECUTIVE SUMMARY (limit to 2 pages)

(2) Description of the business: The business as a legal entity and its general business category. Business activities must be described by Standard Industrial Codes (SIC) using the North American Industry Classification System (NAICS) and jobs by occupational classification. This information is published by the U. S. Department of Commerce in the Statistical Abstract of the United States, 1998, Tables No. 679 and 680. These tables include information necessary to meet this requirement.

(3) Description of the industry, current status and prospects.

(4) Products and Services, including detailed descriptions of:

(a) Products or services to be sold;

(b) Proprietary Position of any of the product, *e.g.*, patents, copyright, trade secrets;

(c) Features of the product or service that may give it an advantage over the competition;

(5) Market Research: This section describes the research conducted to assure that the business has a substantial market to develop and achieve sales in the face of competition. This includes researching:

(a) Customer base: Describe the actual and potential purchasers for the product or service by market segment.

(b) Market size and trends: Describe the site of the current total market for the product or service offered;

(c) Competition: Provide an assessment of the strengths and weaknesses of the competition in the current market;

(d) Estimated market share and sales: Describe the characteristics of the product or service that will make it competitive in the current market;

(6) Marketing Plan: The marketing plan details the product, pricing, distribution, and promotion strategies that will be used to achieve the estimated market share and sales projections. The marketing plan must describe what is to be done, how it will be done and who will do it. The plan addresses overall marketing, strategy, packaging, service and warranty, pricing, distribution and promotion.

(7) Design and Development Plans: If the product, process or service of the proposed venture requires any design and development before it is ready to be placed on the market, describe the nature, extent and cost of this work. The section covers items such as development status and tasks, difficulties and risks, product improvement and new products and costs.

(8) Operations Plan: An operations plan describes the kind of facilities, site location, space, capital equipment and labor force (part and/or full time and wage structure) that are required to provide the company's product or service.

(9) Management Team: This section describes the technical, managerial and business skills and experience to be brought to the project. This a description of key management personnel and their primary duties; compensation and/or ownership; the organizational structure and placement of this proposed project within the organization; the board of directors; management assistance and training needs; and supporting professional services.

(10) Overall Schedule: This section is the implementation plan which shows the timing and interrelationships of the major events or benchmarks necessary to launch the venture and realize its objectives. This includes a month-by-month schedule of activities such as product development, market planning, sales programs, production and operations. If the proposed project is for construction, this section lays out timeframes for conduct of predevelopment, architectural, engineering and environmental and other studies, and acquisition of permits for building, use and occupancy that are required for the project.

(11) Job Creation: This section describes the job creation activities and projections expected as a result of this project. This includes a description of the strategy that will be used to identify and hire individuals who are low-

income, including those on TANF. This section includes the following:

(a) The number of permanent jobs that will be created during the project period, with particular emphasis on jobs for low-income individuals.

(b) For low-income individuals, the number of jobs that will be filled by low income individuals (this must be at least 60% of all jobs created); the number of jobs that have career development opportunities and a description of those jobs; the number of jobs that will be filled by individuals receiving TANF; the annual salary expected for each person employed.

(c) For low-income individuals who become self-employed, the number of self-employed and other ownership opportunities created; specific steps to be taken including on-going management support and technical assistance provided by the grantee or a third party to develop and sustain self-employment after the businesses are in place; and expected net profit after deductions of business expenses;

**Note:** OCS will not recognize job equivalents nor job counts based on economic multiplier functions; jobs must be specifically identified.

(12) Financial Plan: The financial plan demonstrates the economic supports underpinning the project. It shows the project's potential and the timetable for financial self-sufficiency. The following exhibits must be submitted for the first three years of the business' operation:

(a) Profit and Loss Forecasts—quarterly for each year;

(b) Cash Flow Projections—quarterly for each year;

(c) Pro forma balance sheets—quarterly for each year;

(d) Sources and Use of Funds Statement for all funds available to the project;

(e) Brief summary discussing any further capital requirements and methods or projected methods for obtaining needed resources.

(13) Critical Risks and Assumptions: This section covers the risks faced by the project and assumptions surrounding them. This includes a description of the risks and critical assumptions relating to the industry, the venture, its personnel, the product or service market appeal, and the timing and financing of the venture.

(14) Community Benefits: This section describes other economic and non-economic benefits to the community such as development of a community's physical assets; provision of needed, but currently unsupplied, services or products to the community; or improvement in the living environment.



## Work Plan

An applicant must include a detailed work plan covering the activities to be undertaken and benchmarks that demonstrate progress toward stated goals and measurable objectives.

## Third Party Agreements

Applicants submitting an application for funding under Priority Area 2, Incremental Development Projects that proposes to use some or all of the requested CED funds to enter into a third party agreement in order to make an equity investment, such as the purchase of stock or a loan to an organization or business entity (including a wholly-owned subsidiary), are required to submit signed Third Party Agreements in the application, if available and executed by the time of submission of the application along with the business plan, for approval by OCS.

While Third Party Agreements need not be in place at the time of the application, following are requirements for these agreements.

It should be noted that the portion of a grant that will be used to fund project activities related to a third party agreement will not be released (in any instances) until the agreement has been approved by OCS.

All third party agreements must include written commitments as follows: From third party (as appropriate): (1) Low-income individuals will fill a minimum of 60% of the jobs to be created from project activities as a result of the injection of grant funds. (2) The grantee will have the right to screen applicants for jobs to be filled by low-income individuals and to verify their eligibility. (3) If the grantee's equity investment equals 25% or more of the business' assets, the grantee will have representation on the board of directors. (4) Reports will be made to the grantee regarding the use of grant funds on a quarterly basis or more frequently, if necessary. (5) Procedures will be developed to assure that there are no duplicate counts of jobs created. (6) That the third party will maintain documentation related to the grant objectives as specified in the agreement and will provide the grantee and HHS access to that documentation. From the grantee: (1) Detailed information on how the grantee will provide support and technical assistance to the third party in areas of recruitment and retention of low-income individuals. (2) How the grantee will provide oversight of the grant-supported activities of the third party for the life of the agreement. Detailed information must be provided

on how the grant funds will be used by the third party by submitting a Sources and Uses of Funds Statement.

A third party agreement covering an equity investment must contain, at a minimum, the following: (1) Purpose(s) for which the equity investment is being made. (2) The type of equity transaction (e.g. stock purchase). (3) Cost per share and basis on which the cost per share is derived. (4) Number of shares being purchased. (5) Percentage of CDC ownership in the business. (6) Term of duration of the agreement. (7) Number of seats on the board, if applicable. (8) Signatures of the authorized officials of the grantee and third party organization.

A third party agreement covering a loan transaction must contain, at a minimum, the following information: (1) Purpose(s) for which the loan is being made. (2) Interest rates and other fees. (3) Terms of the loan. (4) Repayment schedules. (5) Collateral security. (6) Default and collection procedures. (7) Signatures of the authorized officials of the lender and borrower.

All third party agreements must be accompanied by a signed statement from a Certified or Licensed Public Accountant as to the sufficiency of the third party's financial management system in accordance with 45 CFR part 74 and financial statements for the third party organization for the prior three years. If such statements are not available because the organization is a newly formed entity, the application must include a statement to this effect. The grantee is responsible for ensuring that grant funds expended by it and the third party are expended in compliance with Federal regulations of 45 CFR Part 74 and OMB Circular A-122.

## Evaluation

Applications must include provision for an independent, methodologically sound evaluation of the effectiveness of the activities carried out with the grant and their efficacy in creating new jobs and business ownership opportunities. There must be a well-defined process evaluation, and an outcome evaluation whose design will permit tracking of project participants throughout the proposed project period. The evaluation must be conducted by an independent evaluator, *i.e.*, a person with recognized evaluation skills who is organizationally distinct from, and not under the control of, the applicant. It is important that each successful applicant have a third-party evaluator selected, and implement their role at the very latest by the time the work program of the project is begun, and if possible before that time so that he or she can participate in the

design of the program, in order to assure that data necessary for the evaluation will be collected and available.

## V. Application Review Information

### 1. Criteria

Paperwork Reduction Act of 1995 (Public Law 104-13)

Public reporting burden for this collection of information is estimated to average 25 hours per response, including the time for reviewing instructions, gathering and maintaining the data needed, and reviewing the collection of information.

The project description is approved under Office of Management and Budget (OMB) Control Number 0970-0139.

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number.

### Purpose

The project description provides a major means by which an application is evaluated and ranked to compete with other applications for available assistance. The project description should be concise and complete and should address the activity for which Federal funds are being requested. Supporting documents should be included where they can present information clearly and succinctly. In preparing your project description, all information requested through each specific evaluation criteria should be provided. Awarding offices use this and other information in making their funding recommendations. It is important, therefore, that this information be included in the application.

### Introduction

Applicants required to submit a full project description shall prepare the project description statement in accordance with the following instructions and the specified evaluation criteria. The instructions give a broad overview of what your project description should include while the evaluation criteria expands and clarifies more program-specific information that is needed.

### Project Summary/Abstract

Provide a summary of the project description (a page or less) with reference to the funding request.

### Objectives and Need for Assistance

Clearly identify the physical, economic, social, financial, institutional, and/or other problem(s)

requiring a solution. The need for assistance must be demonstrated and the principal and subordinate objectives of the project must be clearly stated; supporting documentation, such as letters of support and testimonials from concerned interests other than the applicant, may be included. Any relevant data based on planning studies should be included or referred to in the endnotes/footnotes. Incorporate demographic data and participant/beneficiary information, as needed. In developing the project description, the applicant may volunteer or be requested to provide information on the total range of projects currently being conducted and supported (or to be initiated), some of which may be outside the scope of the program announcement.

#### Results or Benefits Expected

Identify the results and benefits to be derived. For example, describe the population to be served by the program and the number of new jobs that will be targeted to the target population. Explain how the project will reach the targeted population, how it will benefit participants including how it will support individuals to become more economically self-sufficient.

#### Approach

Outline a plan of action which describes the scope and detail of how the proposed work will be accomplished. Account for all functions or activities identified in the application. Cite factors which might accelerate or decelerate the work and state your reason for taking the proposed approach rather than others. Describe any unusual features of the project such as design or technological innovations, reductions in cost or time, or extraordinary social and community involvement.

Provide quantitative monthly or quarterly projections of the accomplishments to be achieved for each function or activity in such terms as the number of people to be served and the number of activities accomplished. Account for all functions or activities identified in the application. Cite factors that might accelerate or decelerate the work and state your reasons for taking the proposed approach rather than others. Describe any unusual features of the project such as design or technical innovations, reductions in cost or time or extraordinary social and community involvement.

Provide quantitative monthly or quarterly projections of the accomplishments to be achieved for

each function or activity in, for example such terms as the "number of people served." When accomplishments cannot be quantified by activity or function, list them in chronological order to show the schedule of accomplishments and their target dates.

If any data is to be collected, maintained, and/or disseminated, clearance may be required from the U.S. Office of Management and Budget (OMB). This clearance pertains to any "collection of information that is conducted or sponsored by ACF."

List organizations, cooperating entities, consultants, or other key individuals who will work on the project. Include a short description of the nature of their effort or contribution.

#### Evaluation

Provide a narrative addressing how the results of the project and the conduct of the project will be evaluated. In addressing the evaluation of results, state how you will determine the extent to which the project has achieved its stated objectives and the extent to which the accomplishment of objectives can be attributed to the project. Discuss the criteria to be used to evaluate results, and explains the methodology that will be used to determine if the needs identified and discussed are being met and if the project results and benefits are being achieved. With respect to the conduct of the project, define the procedures to be employed to determine whether the project is being conducted in a manner consistent with the work plan presented and discuss the impact of the project's various activities on the project's effectiveness.

#### Organizational Profiles

Provide information on the applicant organization(s) and cooperating partners such as organizational charts, financial statements, audit reports or statements from CPAs/Licensed Public Accountants, Employer Identification Numbers, names of bond carriers, contact persons and telephone numbers, child care licenses and other documentation of professional accreditation, information on compliance with Federal/State/local government standards, documentation of experience in the program area, and other pertinent information. Any non-profit organization submitting an application must submit proof of its non-profit status in its application at the time of submission.

The non-profit agency can accomplish this by providing a copy of the applicant's listing in the Internal Revenue Service's (IRS) most recent list of tax-exempt organizations described in

Section 501(c)(3) of the IRS code, or by providing a copy of the currently valid IRS tax exemption certificate, or by providing a copy of the articles of incorporation bearing the seal of the State in which the corporation or association is domiciled.

#### Budget and Budget Justification

Provide line item detail and detailed calculations for each budget object class identified on the Budget Information form. Detailed calculations must include estimation methods, quantities, unit costs, and other similar quantitative detail sufficient for the calculation to be duplicated. The detailed budget must also include a breakout by the funding sources identified in Block 15 of the SF-424.

Provide a narrative budget justification that describes how the categorical costs are derived. Discuss the necessity, reasonableness, and allocability of the proposed costs.

#### 1. Evaluation Criteria

##### *Criteria for Review and Evaluation of Applications Submitted Under Priority Area—Incremental Development Projects*

#### Evaluation Criterion I: Approach (Maximum: 30 Points)

a. The business plan is sound and feasible. The project must be able to be implemented soon after a grant award is made. The business plan meets the requirements of this program announcement and development of business and creation of jobs will occur during the project period. (0–20 points)

b. The applicant has site control. (0–1 points)

c. Executed third party agreements meet the requirements set forth above. (0–2 points)

d. The required financial documents are contained in the application, clearly describe proposed use of CED funds and demonstrate the project is viable. (0–7 points)

#### Evaluation Criterion II: Organizational Profiles (Maximum: 20 Points)

##### a. Organizational profile.

The application demonstrates that the applicant has the management capacity, organizational structure and successful record of accomplishment relevant to business development, commercial development, physical development, and/or financial services and that it has the ability to mobilize other financial and in-kind resources. (0–10 points)

b. Staff skills, resources and responsibilities.

The application describes in brief resume form the experience and skills of

the project director who is not only well qualified, but whose professional capabilities are relevant to the successful implementation of the project. If the key staff person has not yet been identified, the application contains a comprehensive position description that indicates that the responsibilities to be assigned to the project director are relevant to the successful implementation of the project. (0–5 points)

c. The application documents adequate facilities and resources (*i.e.* space and equipment) to successfully carry out the work plan. (0–3 points)

d. The assigned responsibilities of the staff are appropriate to the tasks identified for the project and sufficient time of senior staff will be budgeted to assure timely implementation and cost effective management of the project. (0–2 points)

**Evaluation Criterion III: Results or Benefit Expected (Maximum: 15 Points)**

a. Results or benefits Expected.

Application proposes to produce permanent and measurable results including, but not limited to, employment and business ownership opportunities that reduce poverty, reduce the need for TANF assistance in the community and thus enable families to be economically self-sufficient. (0–3 points)

Application proposes a project designed to produce the above mentioned measurable results specifically in a rural community or urban neighborhood characterized by economic distress. Indicators of economic distress may include: High rate of poverty; high incidence of TANF program participation; high rates of unemployment; significant rates of children dropping out of school; high incidence of crime. (0–2 points)

b. Community empowerment and coordination.

Application documents that the applicant is an active partner in either a new or on-going comprehensive community revitalization project such as: A federally-designated Empowerment Zone, Enterprise Community or Renewal Community project that has clear goals of strengthening economic and human development in target neighborhoods; a State or local-government supported comprehensive neighborhood revitalization project; or a private sector supported community revitalization project. (0–2 points)

c. Cost-per-job.

During the project period, the proposed project will create new, permanent jobs or maintain permanent

jobs for low-income residents at a cost-per-job not to exceed \$10,000 in OCS funds unless the project involves construction or significant renovation. (0–5 points)

d. Career development opportunities.

The application documents that the jobs to be created for low-income people have career development opportunities that will promote self-sufficiency. (0–3 points)

**Evaluation Criterion IV: Objectives and Need for Assistance (Maximum: 10 points)**

a. The application documents that the project addresses a vital need in a distressed community. “Distressed community” is defined as a geographic urban neighborhood or rural community with high unemployment and pervasive poverty. The application documents that both the unemployment rate and poverty level for the targeted neighborhood or community are equal to or greater than the state or national level. (0–5 points)

b. The application cites the most recent available statistics from published sources, *e.g.* the recent U.S. Census or updates, the State, county, city, election district and other information are provided in support of its contention. (0–2 points)

c. The application shows how the project will respond to stated need. (0–3 points)

**Evaluation Criterion V: Project Evaluation (Maximum: 10 points)**

Sound evaluations are essential to the Community Economic Development Program. OCS requires applicants to include in their applications a well thought through outline of an evaluation plan for their project. The outline should explain how the applicant proposes to answer the key questions about how effectively the project is being/was implemented; whether the project activities, or interventions, achieved the expected immediate outcomes, and why or why not (the process evaluation); and whether and to what extent the project achieved its stated goals, and why or why not (the outcome evaluation). Together, the process and outcome evaluations should answer the question: “What did this program accomplish and why did it work/not work?” Applicants are not being asked to submit a complete and final evaluation plan as part of their application; but they must include:

a. A well thought through outline of an evaluation plan that identifies the principal cause-and-effect relationships to be tested, and that demonstrates the applicant’s understanding of the role

and purpose of both process and outcome evaluations. (0–2 points)

b. A reporting format based on the grantee’s demonstration of its activities (interventions) and their effectiveness, to be included in the grantee’s semi-annual program progress report, which will provide OCS with insights and lessons learned, as they become evident, concerning the various aspects of the work plan, such as recruitment, training, support, public-private partnerships, and coordination with other community resources, as they may be relevant to the proposed project. (0–2 points)

c. The identity and qualifications of the proposed third-party evaluator, if not selected, the qualifications which will be sought in choosing an evaluator, which must include successful experience in evaluating community development programs, and the planning and/or evaluation of programs designed to foster self-sufficiency in low-income populations. (0–2 points)

d. A commitment to the selection of a third-party evaluator approved by OCS, and to completion of a final evaluation design and plan, in collaboration with the approved evaluator and the OCS Evaluation Technical Assistance Contractor during the six-month start-up period of the project, if funded. (0–2 points)

Applicants should ensure, above all, that the evaluation outline presented is consistent with their project design. A clear project framework of the type recommended earlier identifies the key project assumptions about the target populations and their needs, as well as the hypotheses, or expected cause-effect relationships to be tested in the project; and the proposed project activities, or interventions, that will address those needs in ways that will lead to the achievement of the project goals of self-sufficiency. It also identifies in advance the most important process and outcome measures that will be used to identify performance success and expected changes in individual participants, the grantee organization, and the community. Finally, as noted above, the outline should provide for prompt reporting, concurrently with the semi-annual program progress reports, of lessons learned during the course of the project, so that they may be shared without waiting for the final evaluation report.

e. For all of the above stated reasons, it is important that each successful applicant have a third-party evaluator selected and are performing at the very latest by the time the work program of the project is begun, and if possible before that time so that he or she can

participate in the final design of the program, and in order to assure that data necessary for the evaluation will be collected and available. Plans for selecting an evaluator should be included in the application narrative. A third-party evaluator must have knowledge of, and have experience in, conducting process and outcome evaluations in the job creation field, and have a thorough understanding of the range and complexity of the problems faced by the target population. (0–2 points)

The competitive procurement regulations (45 CFR, Part 74, Sections 74.40–74.48, especially Section 74.43) apply to service contracts such as those for evaluators.

It is suggested that applicants use no more than three (3) pages for this Element, plus the resume or position description for the evaluator, which should be included in an appendix.

Evaluation Criterion VI: Public-Private Partnerships (Maximum: 10 points)

a. Mobilization of resources:

The application documents the applicant has mobilized from public and/or private sources the proposed balance of non-OCS funding required to fully implement the project. Lesser contributions will be given consideration based upon the value documented. (0–5 points)

**Note 1:** Cash resources such as cash or loans contributed from all project sources (except for those contributed directly by the applicant) are documented by letters of commitment from third parties making the contribution.

**Note 2:** The value of in-kind contributions for personal property is documented by an inventory valuation for equipment and a certified appraisal for real property. Also, a copy of a deed or other legal document is required for real property.

**Note 3:** Anticipated or projected program income such as gross or net profits from the project or business operations will not be recognized as mobilized or contributed resources.

b. Integration/coordination of services:

The application demonstrates a commitment to, or agreements with, local agencies responsible for administering child support enforcement, employment education, and training programs to ensure that welfare recipients, at-risk youth, displaced workers, public housing tenants, homeless and low-income individuals, and low-income custodial and non-custodial parents will be trained and placed in the newly created jobs. The applicant provides written agreements from the local TANF or

other employment education and training offices, and child support enforcement agency indicating what actions will be taken to integrate/coordinate services that relate directly to the project for which funds are being requested. (0–2 points)

The agreement includes: (1) The goals and objectives that the applicant and the TANF or other employment education and training offices and/or child support enforcement agency expect to achieve through their collaboration; (2) the specific activities/actions that will be taken to integrate/coordinate services on an on-going basis; (3) the target population that this collaboration will serve; (4) the mechanism(s) to be used in integrating/coordinating activities; (5) how those activities will be significant in relation to the goals and objectives to be achieved through the collaboration; and (6) how those activities will be significant in relation to their impact on the success of the OCS-funded project. (0–2 points)

The application also provides documentation that illustrates the organizational experience is related to the employment, education and training program. (0–1 point)

Evaluation Criterion VII: Budget and Budget Justification (Maximum: 5 points)

a. Funds requested are commensurate with the level of effort necessary to accomplish the goals and objectives of the project. (0–2 points)

b. The application includes a detailed budget breakdown and a narrative justification for each of the budget categories in the SF–424A. The applicant presents a reasonable administrative cost. (0–2 points)

c. The estimated cost to the government of the project also is reasonable in relation to the anticipated results. (0–1 point)

## 2. Review and Selection Process

### Initial OCS Screening

Each application submitted to OCS will be screened to determine whether it was received by the closing date and time.

Applications received by the closing date and time will be screened for completeness and conformity with the following requirements. Only complete applications that meet the requirements listed below will be reviewed and evaluated competitively. Other applications will be returned to the applicants with a notation that they were unacceptable and will not be reviewed.

All applications must comply with the following requirements except as noted:

(a) The application must contain a signed Standard Form 424 Application for Federal Assistance “SF–424”, a Standard Form 424-A Budget Information “SF–424A” and signed Standard Form 424B Assurance—Non-Construction Programs “SF–424B” completed according to instructions provided in this Program Announcement. The forms SF–424 and the SF–424B must be signed by an official of the organization applying for the grant who has authority to obligate the organization legally. The applicant’s legal name as required on the SF–424 (Item 5) must match that listed as corresponding to the Employer Identification Number (Item 6);

(b) The application must include a project narrative that meets requirements set forth in this announcement.

(c) The application must contain documentation of the applicant’s tax-exempt and CDC statuses as indicated in the “Additional Information on Eligibility” section of this announcement.

### OCS Evaluation of Applications

Applications that pass the initial OCS screening will be reviewed and rated by a panel based on the program elements and review criteria presented in relevant sections of this program announcement.

The review criteria are designed to enable the review panel to assess the quality of a proposed project and determine the likelihood of its success. The criteria are closely related to each other and are considered as a whole in judging the overall quality of an application. The review panel awards points only to applications that are responsive to the program elements and relevant review criteria within the context of this program announcement.

The OCS Director and the program staff use the reviewer scores when considering competing applications. Reviewer scores will weigh heavily in funding decisions, but will not be the only factors considered.

Applications generally will be considered in order of the average scores assigned by the review panel. Because other important factors are taken into consideration, highly ranked applications are not guaranteed funding. These other considerations include, for example: the timely and proper completion by the applicant of projects funded with OCS funds granted in the last five (5) years; comments of reviewers and government officials; staff evaluation and input; amount and

duration of the grant requested and the proposed project's consistency and harmony with OCS goals and policy; geographic distribution of applications; previous program performance of applicants; compliance with grant terms under previous HHS grants, including the actual dedication to program of mobilized resources as set forth in project applications; audit reports; investigative reports; and applicant's progress in resolving any final audit disallowance on previous OCS or other Federal agency grants.

## VI. Award Administration Information

1. *Award Notices*: 90 days after the due date of applications.

The successful applicants will be notified through the issuance of a Financial Assistance Award document which sets forth the amount of funds awarded, the terms and conditions of the award, the effective date of the award, the budget period for which funds are awarded, and the total project period for which support is contemplated. The Financial Assistance Award is signed and issued via postal mail by an authorized Grants Officer.

2. *Administrative and National Policy Requirements*: 45 CFR Part 74.

3. *Reporting Requirements*

*Programmatic Reports*: Semi-annually with a final report due 90 days after the project end date.

*Financial Reports*: Semi-annually with a final report due 90 days after the project end date.

## VII. Agency Contacts

*Program Office Contact*: Debbie Brown, Office of Community Services, 370 L'Enfant Promenade, SW., Aerospace Building 5th Floor West, Washington, DC 20447, Email: [ocs@lcnnet.com](mailto:ocs@lcnnet.com), Telephone: (800) 281-9519.

*Grants Management Office Contact*: Barbara Ziegler Johnson, Office of Grants Management, Division of Discretionary Grants, 370 L'Enfant Promenade, SW., Aerospace Building 4th Floor West, Washington, DC 20447-0002. Email: [ocs@lcnnet.com](mailto:ocs@lcnnet.com). Telephone: (800) 281-9519.

## VIII. Other Information

Additional information about this program and its purpose can be located on the following Web site: <http://www.acf.hhs.gov/programs/ocs>.

Dated: May 11, 2004.

**Clarence H. Carter,**

*Director, Office of Community Services.*

[FR Doc. 04-11238 Filed 5-18-04; 8:45 am]

BILLING CODE 4184-01-P

## DEPARTMENT OF HEALTH AND HUMAN SERVICES

### Administration for Children and Families

#### Funding Opportunity: The Community Services Block Grant Program Community Economic Development Discretionary Grant Program—Priority Area: Planning Projects

**AGENCY:** Administration for Children and Families, Office of Community Services.

*Announcement Type:* Initial.

*Funding Opportunity Number:* HHS-2004-ACF-OCS-ED-0026.

*CFDA Number:* 93.570.

*Due Date for Applications:* The due date for receipt of applications is July 19, 2004.

#### I. Funding Opportunity Description

The Community Services Block Grant (CSBG) Act of 1981, as amended, (Section 680 of the Community Opportunities, Accountability, and Training and Educational Services Act of 1998), authorizes the Secretary of the U.S. Department of Health and Human Services to make grants to provide technical and financial assistance for economic development activities designed to address the economic needs of low-income individuals and families by creating employment and business development opportunities. Pursuant to this Announcement OCS will award planning grants to Community Development Corporations (CDCs) that are less than three years old or inexperienced in implementing economic development projects. The primary purpose of this Priority Area is to assist eligible CDCs in planning, developing organizational capacity, identifying potential projects, mobilizing resources and developing a business plan to implement a project. Low-income beneficiaries of such projects include those who are determined to be living in poverty as determined by the HHS Guidelines on Poverty (See Appendix A). They may be unemployed, on public assistance, including Temporary Assistance for Needy Families (TANF), are at risk teenagers, custodial and non-custodial parents, public housing residents, persons with disabilities and persons who are homeless.

#### Definitions of Terms

The following definitions apply:

*Budget Period*—The time interval into which a grant period is divided for budgetary and funding purposes.

*Business Start-up Period*—Time interval within which the grantee

completes preliminary project tasks. These tasks include but are not limited to assembling key staff, executing contracts, administering lease out or build-out of space for occupancy, purchasing plant and equipment and other similar activities. The Business Start-Up Period typically takes three to six months from the time OCS awards the grant or cooperative agreement.

*Cash contributions*—The recipient's cash outlay, including the outlay of money contributed to the recipient by the third parties.

*Community Development Corporation (CDC)*—A private non-profit corporation governed by a board of directors consisting of residents of the community and business and civic leaders, which has as a principal purpose planning, developing, or managing low-income housing or community development activities.

*Community Economic Development (CED)*—A process by which a community uses resources to attract capital and increase physical, commercial, and business development, as well as job opportunities for its residents.

*Construction projects*—Projects that involve land improvements and development or major renovation of (new or existing) facilities and buildings, fixtures, and permanent attachments.

*Developmental/Research Phase*—The time interval during the Project Period that precedes the Operational Phase. Grantees accomplish preliminary activities during this phase including establishing third party agreements, mobilizing monetary funds and other resources, assembling, rezoning, and leasing of properties, conducting architectural and engineering studies, constructing facilities, etc.

*Displaced worker*—An individual in the labor market who has been unemployed for six months or longer.

*Distressed community*—A geographic urban neighborhood or rural community of high unemployment and pervasive poverty.

*Employment education and training program*—A program that provides education and/or training to welfare recipients, at-risk youth, public housing tenants, displaced workers, homeless and low-income individuals and that has demonstrated organizational experience in education and training for these populations.

*Empowerment Zone and Enterprise Community Project Areas (EZ/EC)*—Urban neighborhoods and rural areas designated as such by the Secretaries of Housing and Urban Development and Agriculture.