

prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD).

To file a complaint of discrimination, write to USDA, Director, Office of Civil Rights, 1400 Independence Avenue, SW, Washington, DC 20250-9410 or call (800) 795-3272 (voice), or (202) 720-6382 (TDD). "USDA is an equal opportunity provider, employer, and lender."

Dated: February 23, 2006.

**Jackie J. Gleason,**

*Acting Administrator, Rural Business-Cooperative Service.*

[FR Doc. E6-3761 Filed 3-14-06; 8:45 am]

**BILLING CODE 3410-XY-P**

## DEPARTMENT OF AGRICULTURE

### Rural Utilities Service

#### Household Water Well System Grant Program Announcement of Application Deadlines and Funding

**AGENCY:** Rural Utilities Service, USDA.

**ACTION:** Notice of funding availability and solicitation of applications.

**SUMMARY:** USDA Rural Development administers rural utilities programs through the Rural Utilities Service. USDA Rural Development announces its fiscal year (FY) 2006 funding and application window for the Household Water Well System (HWWS) Grant Program. The HWWS Grant Program is authorized under Section 6012 of the Farm Security and Rural Investment Act of 2002 (The Act), Public Law 107-171. The Act authorizes USDA Rural Development to make grants to qualified private non-profit organizations to establish lending programs for household water wells. For FY 2006, the HWWS grant funding available is \$990,000. The non-profit organizations will use the grants to make loans to individuals to construct or upgrade a household water well system for an existing home. The organizations must contribute an amount equal to at least 10 percent of the grant request to capitalize the loan fund. Applications may be submitted in paper or electronic format. The HWWS Grant Program regulations are contained in 7 CFR part 1776.

**DATES:** The deadline for completed applications for a HWWS grant is May 31, 2006. Applications in either paper or electronic format must be postmarked or time-stamped electronically on or before

the deadline. Late applications will be ineligible for grant consideration.

**ADDRESSES:** Submit electronic grant applications through <http://www.grants.gov> (Grants.gov), following the instructions on that Web site. Submit completed paper applications to the U.S. Department of Agriculture, USDA Rural Development Utilities Programs, Mail Stop #1570, Room 2233-S, 1400 Independence Ave., SW., Washington, DC 20250-1570. Applications should be marked "Attention: Water and Environmental Programs."

Application guides and materials for the HWWS Grant Program may be obtained electronically through <http://www.usda.gov/rus/water/well.htm>. Call (202) 720-9589 to request paper copies of application guides and materials from the Water and Environmental Programs staff.

#### FOR FURTHER INFORMATION CONTACT:

Cheryl Francis, Loan Specialist, U.S. Department of Agriculture, Rural Development Programs, Water and Environmental Programs, telephone: (202) 720-1937, fax: (202) 690-0649, e-mail: [cheryl.francis@wdc.usda.gov](mailto:cheryl.francis@wdc.usda.gov).

#### SUPPLEMENTARY INFORMATION:

##### Overview

*Federal Agency:* Rural Utilities Service (RUS).

*Funding Opportunity Title:* Household Water Well System Grant Program.

*Announcement Type:* Grant—Initial.

*Catalog of Federal Domestic Assistance (CFDA) Number:* 10.862.

*Due Date for Applications:* May 31, 2006.

##### Items in Supplementary Information

- I. Funding Opportunity: Description of the Household Water Well System Grant Program.
- II. Award Information: Available funds.
- III. Eligibility Information: Who is eligible, what kinds of projects are eligible, what criteria determine basic eligibility.
- IV. Application and Submission Information: Where to get application materials, what constitutes a completed application, how and where to submit applications, deadlines, items that are eligible.
- V. Application Review Information: Considerations and preferences, scoring criteria, review standards, selection information.
- VI. Award Administration Information: Award notice information, award recipient reporting requirements.
- VII. Agency Contacts: Web, phone, fax, email, contact name.

##### I. Funding Opportunity

###### A. Program Description

The Household Water Well System (HWWS) Grant Program has been

established to help individuals with low to moderate incomes finance the costs of household water wells that they own or will own. The HWWS Grant Program is authorized under section 6012 of the Farm Security and Rural Investment Act of 2002 (The Act), Public Law 107-171. The Act authorizes the USDA Rural Development through the Rural Utilities Service to make grants to qualified private non-profit organizations to establish lending programs for household water wells.

As the grant recipients, non-profit organizations will receive HWWS grants to establish lending programs that will provide water well loans to individuals. The individuals, as loan recipients, may use the loans to construct, refurbish, and service their household well systems. A loan may not exceed \$8,000 and will have a term up to 20 years at a one percent annual interest rate.

###### B. Background

The USDA Rural Development supports the sound development of rural communities and the growth of our economy without endangering the environment. The USDA Rural Development provides financial and technical assistance to help communities bring safe drinking water and sanitary, environmentally sound waste disposal facilities to rural Americans in greatest need.

A central water system may not be the only or best solution to drinking water problems. Distance or physical barriers make public central water systems expensive in remote areas. A significant number of geographically isolated households without water service might require individual wells rather than connections to new or existing community systems. The goal of the USDA Rural Development is not only to make funds available to those communities most in need of potable water but also to ensure that facilities used to deliver drinking water are safe and affordable. There is a role for private wells in reaching this goal.

###### C. Purpose

The purpose of the HWWS Grant Program is to provide funds to non-profit organizations to assist them in establishing loan programs from which individuals may borrow money for household water well systems. Applicants must show that the project will provide technical and financial assistance to eligible individuals to remedy household well problems. Priority will be given to the non-profit organizations that:

1. Demonstrate experience in promoting safe, productive uses of

household water wells and ground water.

2. Demonstrate significant management experience in making and servicing loans to individuals.

3. Contribute more than 50 percent of the grant amount in cash or other liquid assets in order to capitalize the revolving loan fund.

4. Propose to serve rural areas containing the smallest communities with a high percentage of low-income individuals eligible for loans.

5. Target areas which lack running water, flush toilets, and modern sewage disposal systems.

Due to the limited amount of funds available under the HWWS Program, one or two applications may be funded from FY 2006 funds. Previously funded grant recipients must apply for a different target area to be considered for funding under this announcement.

## II. Award Information

*Funding Instrument Type:* Grant.  
*Anticipated Total Priority Area Funding:* \$990,000.

*Anticipated Number of Awards:* 1 or 2.

*Length of Project Periods:* 12-month project.

*Assistance Instrument:* Grant Agreement with successful applicants before any grant funds are disbursed.

## III. Eligibility Information

### A. Who Is Eligible for Grants?

1. An organization is eligible to receive a Household Water Well grant if it:

a. Is a private, non-profit organization that has tax-exempt status from the United States Internal Revenue Service (IRS). Faith-based organizations are eligible and encouraged to apply for this program.

b. Is legally established and located within one of the following:

- (1) A state within the United States
- (2) The District of Columbia
- (3) The Commonwealth of Puerto Rico
- (4) A United States territory

c. Has the legal capacity and authority to carry out the grant purpose;

d. Has sufficient expertise and experience in lending activities;

e. Has sufficient expertise and experience in promoting the safe and productive use of individually-owned household water well systems and ground water;

f. Has no delinquent debt to the Federal Government or no outstanding judgments to repay a Federal debt;

g. Demonstrates that it possesses the financial, technical, and managerial capability to comply with Federal and State laws and requirements.

2. An individual is ineligible to receive a Household Water Well grant. An individual may receive only a loan.

### B. What are the basic eligibility requirements for a project?

1. *Project Eligibility.* To be eligible for a grant, the project must:

a. Be a revolving loan fund created to provide loans to eligible individuals to construct, refurbish, and service individually-owned household water well systems (see 7 CFR 1776.11 and 1776.12). Loans may not be provided for home sewer or septic system projects.

b. Be established and maintained by a private, non-profit organization.

c. Be located in a rural area. Rural area is defined as locations other than cities or towns of more than 50,000 people and the adjacent urbanized area of such towns and cities.

2. *Required Matching Contributions.* Grant applicants must provide written evidence of a matching contribution of at least 10 percent from sources other than the proceeds of a HWWS grant. In-kind contributions will not be considered for the matching requirement. Please see 7 CFR 1776.9 for the requirement.

### 3. Other—Requirements.

a. *DUNS Number.* An organization must have a Dun and Bradstreet Data Universal Numbering System (DUNS) number. A DUNS number will be required whether an applicant is submitting a paper application or an electronic application through <http://www.grants.gov>. To verify that your organization has a DUNS number or to receive one at no cost, call the dedicated toll-free request line at 1-866-705-5711 or request one on-line at <http://www.dnb.com>.

b. *Eligibility for Loans.* Individuals are not eligible for grants but are eligible for loans. To be eligible for a loan, an individual must:

(1) Be a member of a household of which the combined household income of all members does not exceed 100 percent of the median non-metropolitan household income for the State or territory in which the individual resides. Household income is the total income from all sources received by each adult household member for the most recent 12-month period for which the information is available. It does not include income earned or received by dependent children under 18 years old or other benefits that are excluded by Federal law. The non-metropolitan household income must be based on the most recent decennial census of the United States.

USDA Rural Development publishes a list of income exclusions in 7 CFR

3550.54(b). Also, a list of federally Mandated Exclusions from Income, published by the Department of Housing and Urban Development may be found in the **Federal Register**, April 20, 2001 at 66 FR 20318.

(2) Own and occupy the home being improved with the proceeds of the Household Water Well loan or be purchasing the home to occupy under a legally enforceable land purchase contract which is not in default by either the seller or the purchaser.

(3) Own the home in a rural area.

(4) Not use the loan for a water well system associated with the construction of a new dwelling.

(5) Not use the loan to substitute a well for water service available from collective water systems. (For example, a loan may not be used to restore an old well abandoned when a dwelling was connected to a water district's water line.)

(6) Not be suspended or debarred from participation in Federal programs.

## IV. Application and Submission Information

### A. Where To Get Application Information

The application guide, copies of necessary forms and samples, and the HWWS Grant regulation are available from these sources:

1. On-line for electronic copies: <http://www.grants.gov> or <http://www.usda.gov/rus/water/well.htm>, and
2. USDA Rural Development for paper copies. USDA Rural Development Utilities Programs, Water Programs Division, Room 2234 South, Stop 1570, 1400 Independence Avenue, SW., Washington, DC 20250-1570. Telephone: (202) 720-9589; Fax (202) 690-0649.

### B. Content and Form of Application Submission

#### 1. Rules and Guidelines

a. Detailed information on each item required can be found in the Household Water Well System Grant Program regulation and the Household Water Well System Grant Application Guide. Applicants are strongly encouraged to read and apply both the regulation and the application guide. This Notice does not change the requirements for a completed application for any form of HWWS financial assistance specified in the regulation. The regulation and application guide provide specific guidance on each of the items listed.

b. Applications should be prepared in conformance with the provisions in 7 CFR part 1776, subpart B, and applicable USDA regulations including

7 CFR parts 3015 and 3019. Applicants should use the Household Water Well System Grant Application Guide which contains instructions and other important information in preparing their application. Completed applications must include the items found in the checklist in the next paragraph.

## 2. Checklist of Items in Completed Application Packages

The forms in items 1 through 6 must be completed and signed where appropriate by an official of your organization who has authority to obligate the organization legally. The forms may be found on-line at the USDA Rural Development Web site: <http://www.usda.gov/rus/water/wwforms.htm>. See section V, "Application Review Information," for instructions and guidelines on preparing Items 7 through 13.

### Application Items

1. SF-424, "Application for Federal Assistance"
  2. SF-424A, "Budget Information—Non-Construction Programs"
  3. SF-424B, "Assurances—Non-Construction Programs"
  4. SF-LLL, "Disclosure of Lobbying Activity"
  5. Form RD 400-1, "Equal Opportunity Agreement"
  6. Form RD 400-4, "Assurance Agreement (Under Title VI, Civil Rights Act of 1964)"
  7. Project Proposal  
Project Summary  
Needs Assessment  
Project Goals and Objectives  
Project Narrative
  8. Work Plan
  9. Budget and Budget Justification
  10. Evidence of Legal Authority and Existence
  11. Documentation of non-profit status and IRS Tax Exempt Status
  12. List of Directors and Officers
  13. Financial information and sustainability (narrative)
  14. Assurances and Certifications of Compliance with Other Federal Statutes
3. Compliance With Other Federal Statutes

The applicant must provide evidence of compliance with other Federal statutes and regulations, including, but not limited to the following:

- a. 7 CFR part 15, subpart A—Nondiscrimination in Federally Assisted Programs of the Department of Agriculture—Effectuation of Title VI of the Civil Rights Act of 1964.
- b. 7 CFR part 3015—Uniform Federal Assistance Regulations.

c. 7 CFR part 3017—Government wide Debarment and Suspension (Non-procurement).

d. 7 CFR part 3018—New Restrictions on Lobbying.

e. 7 CFR part 3021—Government wide Requirements for Drug-Free Workplace (Financial Assistance).

f. Executive Order 13166, "Improving Access to Services for Persons with Limited English Proficiency." For information on limited English proficiency and agency-specific guidance, go to <http://www.LEP.gov>.

g. Federal Obligation Certification on Delinquent Debt.

### C. How Many Copies of an Application Are Required?

1. *Applications Submitted on Paper.* Submit one signed original and two additional copies. The original and each of the two copies must include all required forms, certifications, assurances, and appendices, be signed by an authorized representative, and have original signatures. Do not include organizational brochures or promotional materials.

2. *Applications Submitted Electronically.* The additional paper copies are unnecessary if the application is submitted electronically through <http://www.grants.gov>.

### D. How and Where To Submit an Application

#### 1. Submitting Paper Applications

a. For paper applications mail or ensure delivery of an original paper application (no stamped, photocopied, or initialed signatures) and two copies by the deadline date to:

USDA Rural Development Utilities Programs, Water Programs Division, Room 2234 South, Stop 1570, 1400 Independence Avenue, SW., Washington, DC 20250-1570.

b. Applications must show proof of mailing or shipping by one of the following:

- (1) A legibly dated U.S. Postal Service (USPS) postmark;
- (2) A legible mail receipt with the date of mailing stamped by the USPS; or
- (3) A dated shipping label, invoice, or receipt from a commercial carrier.

c. If a deadline date falls on a weekend, it will be extended to the following Monday. If the date falls on a Federal holiday, it will be extended to the next business day.

d. Due to screening procedures at the Department of Agriculture, packages arriving via the USPS are irradiated, which can damage the contents. USDA Rural Development encourages applicants to consider the impact of this

procedure in selecting an application delivery method.

#### 2. Submitting Electronic Applications

a. Applications will not be accepted via facsimile machine transmission or electronic mail.

b. Electronic applications for grants will be accepted if submitted through Grants.gov at <http://www.grants.gov>.

c. Applicants who apply through Grants.gov should submit their applications before the deadline.

d. Grants.gov contains full instructions on all required passwords, credentialing, and software. Follow the instructions at Grants.gov for registering and submitting an electronic application. RUS may request original signatures on electronically submitted documents later.

e. To use Grants.gov:

- (1) Follow the instructions on the Web site to find grant information.
- (2) Download a copy of an application package.
- (3) Complete the package off-line.
- (4) Upload and submit the application via the Grants.gov Web site.

f. You must be registered with Grants.gov before you can submit a grant application.

(1) You will need a DUNS number to access or register at any of the services. In addition to the DUNS number required of all grant applicants, your organization must be listed in the Central Contractor Registry (CCR). If you have not used Grants.gov before, you will need to register with the CCR and the Credential Provider. Setting up a CCR listing (a one-time procedure with annual updates) takes up to five business days. USDA Rural Development recommends that you obtain your organization's DUNS number and CCR listing well in advance of the deadline specified in this notice.

(2) The CCR registers your organization, housing your organizational information and allowing Grants.gov to use it to verify your identity. You may register for the CCR by calling the CCR Assistance Center at 1-888-227-2423 or you may register online at <http://www.ccr.gov>.

(3) The Credential Provider gives you or your representative a username and password, as part of the Federal Government's e-Authentication to ensure a secure transaction. You will need the username and password when you register with Grants.gov or use Grants.gov to submit your application. You must register with the Central Provider through Grants.gov at <https://apply.grants.gov/OrcRegister>.

(4) If a system problem or technical difficulty occurs with an electronic

application, please use the customer support resources available at the Grants.gov website.

#### E. Deadlines

The deadline for paper and electronic submissions is May 31, 2006. Paper applications must be postmarked and mailed, shipped, or sent overnight no later than the closing date to be considered for FY 2006 grant funding. Electronic applications must have an electronic date and time stamp by midnight of May 31, 2006, to be considered on time. USDA Rural Development will not accept applications by fax or e-mail. Applications that do not meet the criteria above are considered late applications and will not be considered. USDA Rural Development will notify each late applicant that its application will not be considered.

#### F. Funding Restrictions

##### 1. Eligible Grant Purposes

a. Grant funds must be used to establish and maintain a revolving loan fund to provide loans to eligible individuals for household water well systems.

b. Individuals may use the loans to construct, refurbish, rehabilitate, or replace household water well systems up to the point of entry of a home. Point of entry for the well system is the junction where water enters into a home water delivery system after being pumped from a well.

c. Grant funds may be used to pay administrative expenses associated with providing Household Water Well loans.

##### 2. Ineligible Grant Purposes

a. Administrative expenses incurred in any calendar year that exceed 10 percent of the HWWS loans made during the same period do not qualify for reimbursement.

b. Administrative expenses incurred before USDA Rural Development executes a grant agreement with the recipient do not qualify for reimbursement.

c. Delinquent debt owed to the Federal Government.

d. Grant funds may not be used to provide loans for household sewer or septic systems.

e. Household Water Well loans may not be used to pay the costs of water well systems for the construction of a new house.

f. Household Water Well loans may not be used to pay the costs of a home plumbing system.

## V. Application Review Information

### A. Criteria

This section contains instructions and guidelines on preparing the project proposal, work plan, and budget sections of the application. Also, guidelines are provided on the additional information required for USDA Rural Development to determine eligibility and financial feasibility.

1. *Project Proposal.* The project proposal should outline the project in sufficient detail to provide a reader with a complete understanding of the loan program. Explain what will be accomplished by lending funds to individual well owners. Demonstrate the feasibility of the proposed loan program in meeting the objectives of this grant program. The proposal should include the following elements:

a. *Project Summary.* Present a brief project overview. Explain the purpose of the project, how it relates to USDA Rural Development's purposes, how the project will be executed, what the project will produce, and who will direct it.

b. *Needs Assessment.* To show why the project is necessary, clearly identify the economic, social, financial, or other problems that require solutions. Demonstrate the well owners' need for financial and technical assistance. Quantify the number of prospective borrowers or provide statistical or narrative evidence that a sufficient number of borrowers will exist to justify the grant award. Describe the service area. Provide information on the household income of the area and other demographical information. Address community needs.

c. *Project Goals and Objectives.* Clearly state the project goals. The objectives should clearly describe the goals and be concrete and specific enough to be quantitative or observable. They should also be feasible and relate to the purpose of the grant and loan program.

d. *Project Narrative.* The narrative should cover in more detail the items briefly described in the Project Summary. Demonstrate the grant applicant's experience and expertise in promoting the safe and productive use of individually-owned household water well systems. The narrative should address the following points:

(1) Document the grant applicant's ability to manage and service a revolving fund. The narrative may describe the systems that are in place for the full life cycle of a loan from loan origination through servicing. If a servicing contractor will service the

loan portfolio, the arrangement and services provided must be discussed.

(2) Show evidence that the organization can commit financial resources the organization controls. This documentation should describe the sources of funds other than the HWWS grant that will be used to pay your operational costs and provide financial assistance for projects.

(3) Demonstrate that the organization has secured commitments of significant financial support from other funding sources, if appropriate.

(4) List the fees and charges that borrowers will be assessed.

2. *Work Plan.* The work plan or scope of work must describe the tasks and activities that will be accomplished with available resources during the grant period. It must include who will carry out the activities and services to be performed and specific timeframes for completion. Describe any unusual or unique features of the project such as innovations, reductions in cost or time, or extraordinary community involvement.

3. *Budget and Budget Justification.* Both Federal and non-Federal resources shall be detailed and justified in the budget and narrative justification. "Federal resources" refers only to the HWWS grant for which you are applying. "Non Federal resources" are all other Federal and non-Federal resources.

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

b. Provide a narrative budget justification that describes how the categorical costs are derived for all capital and administrative expenditures, the matching contribution, and other sources of funds necessary to complete the project. Discuss the necessity, reasonableness, and allocability of the proposed costs. Consult OMB Circular A-122: "Cost Principles for Non-Profit Organizations" for information about appropriate costs for each budget category.

c. If the grant applicant will use a servicing contractor, the fees may be reimbursed as an administrative expense as provided in 7 CFR 1776.13. These fees must be discussed in the budget narrative. If the grant applicant will hire a servicing contractor, it must demonstrate that all procurement

transactions will be conducted in a manner to provide, to the maximum extent practical, open and free competition. Recipients must justify any anticipated procurement action that is expected to be awarded without competition and exceed the simplified acquisition threshold fixed at 41 U.S.C. 403(11) (currently set at \$100,000).

d. The indirect cost category should be used only when the grant applicant currently has an indirect cost rate approved by the Department of Agriculture or another cognizant Federal agency. A grant applicant that will charge indirect costs to the grant must enclose a copy of the current rate agreement. If the grant applicant is in the process of initially developing or renegotiating a rate, the grant applicant shall submit its indirect cost proposal to the cognizant agency immediately after the applicant is advised that an award

will be made. In no event, shall the indirect cost proposal be submitted later than three months after the effective date of the award. Consult OMB Circular A-122 for information about indirect costs.

4. *Evidence of Legal Authority and Existence.* The applicant must provide satisfactory documentation that it is legally recognized under state and Federal law as a non-profit organization. The documentation also must show that it has the authority to enter into a grant agreement with the Rural Utilities Service and to perform the activities proposed under the grant application. Satisfactory documentation includes, but is not limited to, certificates from the Secretary of State, or copies of state statutes or laws establishing your organization. Letters from the IRS awarding tax-exempt status are not considered adequate evidence.

5. *List of Directors and Officers.* The applicant must submit a certified list of directors and officers with their respective terms.

6. *IRS Tax Exempt Status.* The applicant must submit evidence of tax exempt status from the Internal Revenue Service.

7. *Financial Information and Sustainability.* The applicant must submit pro forma balance sheets, income statements, and cash flow statements for the last three years and projections for three years. Additionally, the most recent audit of the applicant's organization must be submitted.

*B. Evaluation Criteria*

Grant applications that are complete and eligible will be scored competitively based on the following scoring criteria:

Scoring criteria	Points
Degree of expertise and experience in promoting the safe and productive use of individually-owned household water well systems and ground water.	Up to 30 points.
Degree of expertise and successful experience in making and servicing loans to individuals .....	Up to 20 points.
Percentage of applicant contributions. Points allowed under this paragraph will be based on written evidence of the availability of funds from sources other than the proceeds of a HWWS grant to pay part of the cost of a loan recipient's project. In-kind contributions will not be considered. Funds from other sources as a percentage of the HWWS grant and points corresponding to such percentages are as follows:	
0 to 9 percent .....	ineligible.
10 to 25 percent .....	5 points
26 to 30 percent .....	10 points
31 to 50 percent .....	15 points
51 percent or more .....	20 points
Extent to which the work plan demonstrates a well thought out, comprehensive approach to accomplishing the objectives of this part, clearly defines who will be served by the project, and appears likely to be sustainable.	Up to 20 points.
Lowest ratio of projected administrative expenses to loans advanced .....	Up to 10 points.
Administrator's discretion, taking into consideration such factors as: .....	Up to 10 points.
Creative outreach ideas for marketing HWWS loans to rural residents; Amount of funds requested in relation to the amount of needs demonstrated in the proposal; Excellent utilization of a previous revolving loan fund; and Optimizing the use of agency resources.	
Description of the service area, particularly the range of the area:	
State .....	10 points.
Regional .....	15 points.
National .....	20 points.
Extent to which the problem or issue being addressed in the Needs Assessment is defined clearly and supported by data.	Up to 15 points.
Extent to which the goals and objectives are clearly defined, tied to the need as defined in the Needs Assessment, and are measurable.	Up to 15 points.
Extent to which the evaluation methods are specific to the program, clearly defined, measurable, with expected program outcomes.	Up to 20 points.

*C. Review Standards*

1. Incomplete applications as of the deadline for submission will not be considered. If an application is determined to be incomplete, the applicant will be notified in writing and the application will be returned with no further action.

2. Ineligible applications will be returned to the applicant with an explanation.

3. Complete, eligible applications will be evaluated competitively by a review team, composed of at least two USDA Rural Development employees selected from the Water Programs Division. They will make overall recommendations based on the program elements found in 7 CFR part 1776 and the review criteria presented in this notice. They will award points as described in the scoring criteria in 7 CFR 1776.9 and this notice.

Each application will receive a score based on the averages of the reviewers' scores and discretionary points awarded by the Rural Utilities Service Administrator.

4. Applications will be ranked and grants awarded in rank order until all grant funds are expended.

5. Regardless of the score an application receives, if USDA Rural Development determines that the

project is technically infeasible, USDA Rural Development will notify the applicant, in writing, and the application will be returned with no further action.

## VI. Award Administration Information

### A. Award Notices

USDA Rural Development will notify a successful applicant by an award letter accompanied by a grant agreement. The grant agreement will contain the terms and conditions for the grant. The applicant must execute and return the grant agreement, accompanied by any additional items required by the award letter or grant agreement.

### B. Administrative and National Policy Requirements

1. This notice, the 7 CFR 1776, and Household Water Well System Grant Program Application Guide implement the appropriate administrative and national policy requirements. Grant recipients are subject to the requirements in 7 CFR part 1776.

2. Direct Federal grants, sub-award funds, or contracts under the HWWS Program shall not be used to fund inherently religious activities, such as worship, religious instruction, or proselytization. Therefore, organizations that receive direct USDA assistance should take steps to separate, in time or location, their inherently religious activities from the services funded under the HWWS Program. USDA regulations pertaining to the Equal Treatment for Faith-based Organizations, which includes the prohibition against Federal funding of inherently religious activities, can be found either at the USDA Web site at <http://www.usda.gov/fbc/finalrule.pdf> or 7 CFR part 16.

### C. Reporting

1. *Performance Reporting.* All recipients of HWWS Grant Program financial assistance must provide quarterly performance activity reports to USDA Rural Development until the project is complete and the funds are expended. A final performance report is also required. The final report may serve as the last annual report. The final report must include an evaluation of the success of the project.

2. *Financial Reporting.* All recipients of Household Water Well System Grant Program financial assistance must provide an annual audit, beginning with the first year a portion of the financial assistance is expended. The grantee will provide an audit report or financial statements as follows:

a. Grantees expending \$500,000 or more Federal funds per fiscal year will

submit an audit conducted in accordance with OMB Circular A-133. The audit will be submitted within 9 months after the grantee's fiscal year. Additional audits may be required if the project period covers more than one fiscal year.

b. Grantees expending less than \$500,000 will provide annual financial statements covering the grant period, consisting of the organization's statement of income and expense and balance sheet signed by an appropriate official of the organization. Financial statements will be submitted within 90 days after the grantee's fiscal year.

## VII. Agency Contacts

A. *Web site:* <http://www.usda.gov/rus/water>. The USDA Rural Development's Web site maintains up-to-date resources and contact information for the Household Water Well program.

B. *Phone:* 202-720-9589.

C. *Fax:* 202-690-0649.

D. *E-mail:*  
[cheryl.francis@wdc.usda.gov](mailto:cheryl.francis@wdc.usda.gov).

E. *Main point of contact:* Cheryl Francis, Loan Specialist, Water and Environmental Programs, Water Programs Division, USDA Rural Development Utilities Programs, U.S. Department of Agriculture.

Dated: March 6, 2006.

**James M. Andrew,**

*Administrator, Rural Utilities Service.*

[FR Doc. E6-3694 Filed 3-14-06; 8:45 am]

**BILLING CODE 3410-15-P**

## DEPARTMENT OF AGRICULTURE

### Rural Utilities Service

#### Announcement of Grant and Loan Application Deadlines and Funding Levels

**AGENCY:** Rural Utilities Service, USDA.

**ACTION:** Notice of funding availability and solicitation of applications.

**SUMMARY:** USDA Rural Development administers rural utilities programs through the Rural Utilities Service. USDA Rural Development announces the Fiscal Year (FY) 2006 funding levels available for its Revolving Fund Program (RFP) grant. In addition, USDA Rural Development announces the maximum amounts for RFP grants applicable for the fiscal year 2006 and the solicitation of applications.

**DATES:** You may submit completed applications for the Revolving Fund Program's grant from March 1, 2006 until May 2, 2006.

Reminder of competitive grant application deadline: Applications must

be mailed, shipped or submitted electronically through Grants.gov no later than May 2, 2006, to be eligible for FY 2006 grant funding.

**ADDRESSES:** You may obtain application guides and materials for the RFP program via the Internet at the USDA Rural Development Water and Environmental Programs (WEP) Web site: <http://www.usda.gov/rus/water/index.htm>. You may also request application guides and materials from USDA Rural Development by contacting the WEP at (202) 690-3789.

Submit completed paper applications for RFP grant to the Rural Development Utilities Programs, U.S. Department of Agriculture, 1400 Independence Ave., SW., Room 2233, STOP 1570, Washington, DC 20250-1570. Applications should be marked "Attention: Assistant Administrator, Water and Environmental Programs."

Submit electronic grant applications at <http://www.grants.gov> (Grants.gov) and follow the instructions you find on that Web site.

#### FOR FURTHER INFORMATION CONTACT:

Anita O'Brien, Loan Specialist, Water Program Division, USDA Rural Development Utilities Programs; Telephone: (202) 690-3789, fax: (202) 690-0649.

#### SUPPLEMENTARY INFORMATION:

##### Overview

*Federal Agency:* Rural Utilities Service (RUS).

*Funding Opportunity Title:* Grant Program to Establish a Fund for Financing Water and Wastewater Projects (Revolving Fund Program (RFP)).

*Announcement Type:* Funding Level Announcement, and Solicitation of Applications.

*Catalog of Federal Domestic Assistance (CFDA) Number:* 10.864.

*Dates:* You may submit completed application for a RFP grant from March 1, 2006 and May 2, 2006.

*Reminder of competitive grant application deadline:* Applications must be mailed, shipped or submitted electronically through Grants.gov no later than May 2, 2006, to be eligible for FY 2006 grant funding.

#### Items in Supplementary Information

- I. Funding Opportunity: Brief introduction to the RFP.
- II. Award Information: Available funds, maximum amounts.
- III. Eligibility Information: Who is eligible, what kinds of projects are eligible, what criteria determine basic eligibility.
- IV. Application and Submission Information: Where to get application materials, what constitutes a completed application, how