

Therefore, based on the reasoning set forth above, and after consultation with the Secretary as required under 42 CFR 430.15(c)(2), CMS disapproved Connecticut SPA 02-003A.

I am scheduling a hearing on your request for reconsideration to be held on June 8, 2004, at 10 a.m., JFK Federal Building, Room 2325, Boston, Massachusetts 02203-0003. If this date is not acceptable, we would be glad to set another date that is mutually agreeable to the parties. The hearing will be governed by the procedures prescribed at 42 CFR part 430.

I am designating Ms. Kathleen Scully-Hayes as the presiding officer. If these arrangements present any problems, please contact the presiding officer. In order to facilitate any communication which may be necessary between the parties to the hearing, please notify the presiding officer to indicate acceptability of the hearing date that has been scheduled and provide names of the individuals who will represent the State at the hearing. Ms. Kathleen Scully-Hayes may be reached at (410) 786-2055.

Sincerely,  
Mark B. McClellan, M.D., Ph.D.

**Authority:** Section 1116 of the Social Security Act (42 U.S.C. 1316; 42 CFR 430.18). (Catalog of Federal Domestic Assistance Program No. 13.714, Medicaid Assistance Program)

**Mark B. McClellan,**  
*Administrator, Centers for Medicare & Medicaid Services.*

[FR Doc. 04-11268 Filed 5-18-04; 8:45 am]

**BILLING CODE 4120-03-P**

## DEPARTMENT OF HEALTH AND HUMAN SERVICES

### Administration for Children and Families

#### Office of Planning, Research and Evaluation; Grant to Institute for American Values

**AGENCY:** Office of Planning, Research and Evaluation, ACF, HHS.

**ACTION:** Award announcement.

**SUMMARY:** Notice is hereby given that the Office of Planning, Research and Evaluation will award grant funds without competition to the Institute for American Values. This grant is being awarded for an unsolicited proposal that conforms to the applicable program objectives, is within the legislative authorities and proposes activities that may be lawfully supported through grant mechanisms. This application is of outstanding merit and will have significant impact in focusing new public policy initiatives related to healthy marriage and contribute to better scholarly and public understanding of the issues, particularly related to the benefits of marriage for

African Americans. The systematic review of academic findings published since 1990 will include studies with substantial rigor in order to address the existing inconclusive and often contradictory evidence presented in the current social science literature regarding the benefits of marriage for African Americans. The proposal presents a unique approach and includes a research team comprised of nationally recognized experts who will draw on the experience and knowledge of other nationally recognized experts in identifying the universe of scholarly publications to be considered and providing recommendations regarding variables to be considered and approaches for analysis.

The Institute for American Values is a nonpartisan organization devoted to contributing intellectually to the renewal of marriage and family life and the sources of competence, character, and citizenship.

The grant will support a 16-month project at a cost of \$48,852 in federal support. The project is also being supported through non-federal funding sources.

**FOR FURTHER INFORMATION CONTACT:** K.A. Jagannathan, Administration for Children and Families, Office of Planning, Research and Evaluation, 370 L'Enfant Promenade, SW., Washington, DC 20447, Phone: 202-205-4829.

Dated: May 13, 2004.  
**Naomi Goldstein,**  
*Acting Director, Office of Planning, Research and Evaluation.*

[FR Doc. 04-11239 Filed 5-18-04; 8:45 am]

**BILLING CODE 4184-01-P**

## DEPARTMENT OF HEALTH AND HUMAN SERVICES

### Administration for Children and Families

#### Grants and Cooperative Agreements; Availability, etc: American Indian and Native Alaskan Incremental Development Projects; Community Services Block Grant Program

**Program Office Name:** Office of Community Services.

**Funding Opportunity Title:** The Community Services Block Grant Program Community Economic Development Discretionary Grant Program—Priority Area: Incremental Development Projects—American Indian and Native Alaskan.

**Announcement Type:** Initial.

**Funding Opportunity Number:** HHS-2004-ACF-OCS-ID-0023.

**CFDA Number:** 93.570.

**Due Dates 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. Low-income beneficiaries include those who are determined to be living in poverty as determined by the HHS Guidelines on Poverty (See Appendix A), are 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. Under this priority area, the Office of Community Services (OCS) is particularly interested in receiving applications from urban and tribal American Indian and Alaskan Village community development corporations and other community development corporations (CDC) including faith-based ones.

### 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 when 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 entails three to six months from when 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 projects.

**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 support the initial building or large scale modernization or permanent improvement of a facility.

**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 Secretary of Agricultural or Housing and Urban Development.

**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://aspe.hhs.gov/poverty.shtml>

**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

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

#### Project Scope

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

#### Priority Area

##### *Community Economic Development Program*

Priority Area: Incremental Development Projects (IDP)—American Indian and Native Alaskan

OCS will fund nonprofit Tribal, Urban Indian Centers or Alaska Native CDCs or nonprofit non-Indian CDCs that assist Indian tribes or Alaskan Native Communities in carrying out business development activities for their members; business startups, business expansions, development of new services or industries, and other newly-undertaken physical and commercial activities. If the CDC is non-Indian or non-Alaska Native, the application must reflect a significant partnership role for the tribe or community. The application must contain a written, signed agreement from an authorized tribal official confirming the tribe's significant involvement in the project. By entering into a partnership agreement with a tribe, the applicant will be considered to have fulfilled the goal of mobilizing non-discretionary program dollars and will be granted the maximum number of points in that category.

An eligible community development corporation applicant must submit a business plan that shows the economic feasibility of the venture. An applicant for an Incremental Development Project does not have to have in place all signed written commitments from other funding sources contributing to the project, but it must describe probable funding sources and any conditions under which they may be made available. In addition, an applicant for Incremental Development funds does not have to have in place all third party agreements but must describe needed third parties, their contributions and qualifications, and the feasibility of bringing them into the project. Letters of support from community stakeholders are welcome. An applicant must also clearly explain whether it has site control, and if not, the time period required to obtain site control.

OCS will support an Incremental Development Project 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 Ongoing 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 Office of Community Services Project Officer of any key personnel changes in writing;

- Ensure that the executive director and/or project director, and the evaluator are qualified to perform their responsibilities;

- 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 work together to address 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. Any changes which affect the terms and conditions of the grant award or revisions/amendments to the cooperative agreement or to the approved scope of activities will require prior approval by the ACF Grants Management Officer; and

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.

## II. Award Information

*Funding Instrument Type:*  
Cooperative Agreement.

*Anticipated Total Priority Area Funding:* \$140,000 in FY2004.

*Anticipated Number of Awards:* 1–2.  
*Ceiling on Amount of Individual Awards:* \$700,000 per project period.

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:*  
\$70,000 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 submitted 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. For American Indian Tribes and Alaska Native Villages, proof of non-profit status can also be documented by submitting a **Federal Register** listing as a Federally-recognized tribe.

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 [www.acf.hhs.gov/programs/ofs/forms.htm](http://www.acf.hhs.gov/programs/ofs/forms.htm).

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 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 ([www.Grants.gov](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, Administration for Children and Families, 370 L'Enfant Promenade, SW., Suite 500 West, Washington, DC 20447, 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., include "Priority Area 1 Operational Grant."

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

5. Standard Form 424B—Budget Information—Construction Programs.

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

6. 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.

#### C. Page Limitation

The application package including sections for the Table of Contents, Project Abstract, Project and Budget Narratives, and business and work plans must not exceed 40 pages. The page limitation does not include Standard Forms and Assurances, Certifications, Disclosures, appendices and any supplemental documents as required in this announcement.

#### D. Required Standard Forms

Applicants must submit Standard Form (SF) 424, Request for Financial Assistance.

Applicants requesting financial assistance for a non-construction project

must sign and return Standard Form 424A, Assurances: Non-Construction Programs with their applications.

Applicants requesting financial assistance for a construction project must sign and return Standard Form 424B, Assurances: Construction Programs with their applications.

Applicants must provide a Certification Regarding Lobbying. Prior to receiving an award in excess of \$100,000, applicants must furnish an executed copy of the lobbying certification. Applicants must sign and return the certification with their application.

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 Meyer Drive, Suite 300, Arlington, Virginia 22209 Attention: Daphne Weeden. 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., EST, at the U.S. Department of Health and Human Services, Administration for Children and Families, Office of Community Services" Operations Center, 1815 Fort Meyer Drive, Suite 300, Arlington, Virginia 22209

Attention: Operations Center 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 cautioned that express/overnight mail services do not always deliver as agreed.

*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 mails 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.
Abstract of Proposed Project .....	Brief abstract that identifies the type of 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.
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.

*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/grants/form.htm">http://www.acf.hhs.gov/programs/ofs/grants/form.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, Massachusetts,

Minnesota, Montana, Nebraska, New Jersey, New York, 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-seven 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

Except for the retail development initiative, 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 CDC's 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 a third party are expended in compliance with Federal Regulations of 45 CFR, Part 74 and OMB Circular A-122.

##### Business Plan

Applications for Priority Area 3. Incremental Development Projects—Native Americans, 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 size 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 and projected to be available;

(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 3, Incremental Development Projects—Native Americans, that proposes to use some or all of the requested CED funds to enter into a third party agreement are required to either submit the signed Third Party Agreement in the application, along with the business plan, for approval by OCS, or in the narrative, explain who the prospective third party (parties) would be and their contributions to the project. 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.

From the grantee and third party:

Signatures of the authorized officials of the grantee and third party organization.

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 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.

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

#### 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 along with 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 explain 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 3. Incremental Development Projects—Native Americans*

##### Evaluation Criterion I: Approach (Maximum: 38 points)

The application describes the project, its scope and methods that will be used to ensure that the project results in employment and business development opportunities for low income individuals. (0–5 points)

The applicant has site control or the possibility of site control within 12 months. (0–5 points)

The work plan is results-oriented and related to job creation and business development opportunities for low income individuals. The application addresses the following: specific outcomes to be achieved; performance targets that the project is committed to achieving, including a discussion of and how the project will verify the achievement of these targets; critical milestones which must be achieved if results are to be gained; organizational support, the level of support from the applicant organization; past performance in similar work; and specific resources contributed to the project that are critical to success. The project is able to be implemented soon after a grant award is made. (0–10 points)

The business plan meets the requirements of "Part 6. Other Submission Requirements Business Plan." (0–5 points) Required financial documents are contained in the application and demonstrate that the project is viable if funding is leveraged as expected. (0–5 points) Where applicable, third party agreements meet the requirements of "Part 6. Other Submission Requirements Third Party Agreements" and can be expected to be executed within 12 months after receipt of a grant award. (0–8 points)

Evaluation Criterion II: Objectives and Need for Assistance (Maximum: 16 points)

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 must be equal to or greater than the state or national level. (0–3 points) 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 provided in support of its contention. (0–3 points)

The 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; a foundation supported community revitalization initiative. (0–3 points)

The application demonstrates a commitment to, or agreements with, local agencies to ensure that low-income individuals will be trained and placed in the newly created jobs. Low income individuals include welfare recipients, at-risk youth, displaced workers, public housing residents, persons who are homeless, persons with disabilities and custodial and non-custodial parents. The application provides written agreements from the local TANF, employment education and training office, and child support enforcement agency indicating what actions will be taken to integrate or coordinate services that relate directly to the project or a narrative that describes such agreements to be entered into. (0–3 points) The agreements include: (1) The goals and objectives that the applicant and the TANF, employment education and training office and/or child support enforcement agency expect to achieve through their collaboration. (2) The specific activities that will be undertaken to integrate or 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 or coordinating activities. (5) How those activities will be significant in relation to the goals

and objectives to be achieved through the collaboration. (6) How these activities will be significant in relation to their impact on the success of the OCS-funded project. (0–4 points)

Evaluation Criterion III: Results or Benefits Expected (Maximum: 16 points)

The application describes the business(es) that will be established or expanded as a result of the project. The applicant documents the number of jobs that will be created. (0–3 points)

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 CED funds. If the project involves construction or major renovation, the cost-per-job will not exceed \$15,000 and the applicant demonstrates the need to exceed \$10,000 per job. (0–3 points)

The application documents that the jobs to be created for low-income people have career development opportunities that will promote self-sufficiency. (0–2 points)

A non-Indian applicant submits a signed letter of agreement to participate in the Incremental Development Project—Native American by officials of the affected tribe. (0–8 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.

Evaluation Criterion IV: Organizational Profiles (Maximum: 15 points)

a. Organizational profile (sub-rating: 0–8 points)

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.

b. Staff skills and resources (sub-rating: 0–7 points)

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)

The applicant has adequate facilities and resources (i.e. space and equipment) to successfully carry out the work plan. (0–3 points)

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

The application contains the outline of a project evaluation plan. The outline explains how the applicant proposes to answer key questions about how effectively the project is 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 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 the plan must include:

(1) An 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, and the effectiveness of the project in fostering self-sufficiency in low-income populations. (0–3 points)

(2) 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 progress reports to OCS. These reports are expected to 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 are relevant to the proposed project. (0–3 points)

(3) The identity and qualifications of the proposed third-party evaluator, if not selected at the time of application, the qualifications which will be sought in choosing an evaluator. The evaluator must have knowledge about and

experience in conducting process and outcome evaluations in the business development or job creation field and have a thorough understanding of the range and complexity of the problems faced by the target population. It is important that the applicant have a third-party evaluator selected and performing at the very latest by the time the work program of the project is begun, and, if possible, before that time in order for the evaluator to participate in the final design of the program and assure that data necessary for the evaluation will be collected and available. Plans for selecting an evaluator should be included in the application narrative. OCS must approve selection of a third party evaluator. (0–2 points)

(4) Process for completing a final evaluation design and plan, in collaboration with the approved evaluator and OCS, during the six-month start-up period of the project. Applicants should ensure that the evaluation design is consistent with the project design, identifying key project assumptions about the target populations and their needs; hypotheses, or expected cause-effect relationships, to be tested in the project; and the proposed project activities, or interventions, that will address needs in ways that will lead to self-sufficiency. The design 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. (0–2 points)

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

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

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)

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

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. 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.*

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## 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