

area, targeted for special economic incentives, or otherwise identifiable as having high concentrations of low-income people;

(2) An area that is environmentally distressed, as demonstrated by Federal and State data;

(3) An area adversely affected by Federal actions related to managing Federal lands that result in significant regional job losses and economic dislocation;

(4) An area adversely affected by reductions in defense spending or the closure or realignment of military installation;

(5) An area that has an unemployment rate greater than the national average unemployment for the most recent 12 months for which State or Federal data are available;

(6) A rural community, as demonstrated by Federal and State data; or

(7) A severely economically distressed community, as demonstrated by Federal and State data.

(d) *Other programs:* Programs that meet any additional priorities as the Corporation determines and disseminates in advance of the selection process.

[70 FR 39600, July 8, 2005]

§ 2522.455 How do I find out about additional priorities governing the selection process?

The Corporation posts discretionary funding opportunities addressing the Corporation's selection preferences and additional requirements on our website at *www.nationalservice.gov* and at *www.grants.gov* in advance of grant competitions

[70 FR 39600, July 8, 2005]

§ 2522.460 To what extent may the Corporation or a State commission consider priorities other than those stated in these regulations or the Notice of Funding Availability?

(a) The Corporation may give special consideration to a national service program submitted by a State commission that does not meet one of the Corporation's priorities if the State commission adequately explains why the State is not able to carry out a program that meets one of the Corporation's priorities,

and why the program meets one of the State's priorities.

(b) A State may apply priorities different than those of the Corporation in selecting its formula programs.

[70 FR 39600, July 8, 2005]

§ 2522.465 What information must a State commission submit on the relative strengths of applicants for State competitive funding?

(a) If you are a State commission applying for State competitive funding, you must prioritize the proposals you submit in rank order based on their relative quality and according to the following table:

If you submit this number of state competitive proposals to the corporation	Then you must rank this number of proposals
1 to 12	At least top 5.
13 to 24	At least top 10.
25 or more	At least top 15.

(b) While the rankings you provide will not be determinative in the grant selection process, and the Corporation will not be bound by them, we will consider them in our selection process.

[70 FR 39600, July 8, 2005]

§ 2522.470 What other factors or information may the Corporation consider in making final funding decisions?

(a) The Corporation will seek to ensure that our portfolio of AmeriCorps programs is programmatically, demographically, and geographically diverse and includes innovative programs, and projects in rural, high poverty, and economically distressed areas.

(b) In applying the selection criteria under §§ 2522.420 through 2522.435, the Corporation may, with respect to a particular proposal, also consider one or more of the following for purposes of clarifying or verifying information in a proposal, including conducting due diligence to ensure an applicant's ability to manage Federal funds:

(1) For an applicant that has previously received a Corporation grant, any information or records the applicant submitted to the Corporation, or that the Corporation has in its system of records, in connection with its previous grant (*e.g.* progress reports, site

§ 2522.475

visit reports, financial status reports, audits, HHS Account Payment Data Reports, Federal Cash Transaction Reports, timeliness of past reporting, etc.);

(2) Program evaluations;

(3) Member-related information from the Corporation's systems;

(4) Other Corporation internal information, including information from the Office of Inspector General, administrative standards for State commissions, and reports on program training and technical assistance;

(5) IRS Tax Form 990;

(6) An applicant organization's annual report;

(7) Information relating to the applicant's financial management from Corporation records;

(8) Member satisfaction indicators;

(9) Publicly available information including:

(i) Socio-economic and demographic data, such as poverty rate, unemployment rate, labor force participation, and median household income;

(ii) Information on where an applicant and its activities fall on the U.S. Department of Agriculture's urban-rural continuum (Beale codes);

(iii) Information on the nonprofit and philanthropic community, such as charitable giving per capita;

(iv) Information from an applicant organization's website; and

(v) U.S. Department of Education data on Federal Work Study and Community Service; and

(10) Other information, following notice in the relevant Notice of Funding Availability, of the specific information and the Corporation's intention to be able to consider that information in the review process.

(c) Before approving a program grant to a State commission, the Corporation will consider a State commission's capacity to manage and monitor grants.

[70 FR 39600, July 8, 2005]

§ 2522.475 To what extent must I use the Corporation's selection criteria and priorities when selecting formula programs or operating sites?

You must ensure that the selection criteria you use include the following criteria:

45 CFR Ch. XXV (10–1–12 Edition)

(a) The quality of the national service program proposed to be carried out directly by the applicant or supported by a grant from the applicant.

(b) The innovative aspects of the national service program, and the feasibility of replicating the program.

(c) The sustainability of the national service program.

(d) The quality of the leadership of the national service program, the past performance of the program, and the extent to which the program builds on existing programs.

(e) The extent to which participants of the national service program are recruited from among residents of the communities in which projects are to be conducted, and the extent to which participants and community residents are involved in the design, leadership, and operation of the program.

(f) The extent to which projects would be conducted in one of the areas listed in §2522.450(c)(1) through (5) of this subpart.

(g) In the case of applicants other than States, the extent to which the application is consistent with the application of the State in which the projects would be conducted.

(h) Such other criteria as the Corporation considers to be appropriate, following appropriate notice.

[70 FR 39600, July 8, 2005]

§ 2522.480 Can a State's application for formula funds be rejected?

Yes. Formula funds are not an entitlement.

(a) *Notification.* If the Corporation rejects an application submitted by a State Commission under part 2550 of this chapter for funds described in §2521.30 of this chapter, the Corporation will promptly notify the State Commission of the reasons for the rejection of the application.

(b) *Revision.* The Corporation will provide a State Commission notified under paragraph (a) of this section with a reasonable opportunity to revise and resubmit the application. At the request of the State Commission, the Corporation will provide technical assistance to the State Commission as part of the resubmission process. The Corporation will promptly reconsider