

## Corporation for National and Community Service

## §2516.600

the program after the expiration of the grant.

(b) The Corporation also gives priority to proposals that—

(1) Involve participants in the design and operation of the program;

(2) Reflect the greatest need for assistance, such as programs targeting low-income areas or serving economically disadvantaged youth;

(3) Involve students from public and private schools serving together;

(4) Involve students of different ages, races, genders, ethnicities, abilities and disabilities, or economic backgrounds, serving together;

(5) Are integrated into the academic program of the participants;

(6) Best represent the potential of service-learning as a vehicle for education reform and school-to-work transition;

(7) Develop civic responsibility and leadership skills and qualities in participants;

(8) Demonstrate the ability to achieve the goals of this part on the basis of the proposal's quality, innovation, replicability, and sustainability; or

(9) Address any other priority established by the Corporation for a particular period.

(c) In reviewing applications submitted by Indian tribes and U.S. Territories, the Corporation—

(1) May decide to approve only planning of school-based service-learning programs; and

(2) Will set the amounts of grants in accordance with the respective needs of applicants.

[59 FR 13786, Mar. 23, 1994, as amended at 73 FR 53759, Sept. 17, 2008; 74 FR 46504, Sept. 10, 2009]

### §2516.510 What happens if the Corporation rejects a State's application for an allotment grant?

If the Corporation rejects a State's application for an allotment grant under §2516.600(b)(2), the Corporation will—

(a) Promptly notify the State of the reasons for the rejection;

(b) Provide the State with a reasonable opportunity to revise and resubmit the application;

(c) Provide technical assistance, if necessary; and

(d) Promptly reconsider the resubmitted application and make a decision.

### §2516.520 How does a State, Indian tribe, or community-based entity review the merits of an application?

In reviewing the merits of an application for a subgrant under this part, a Corporation grantee must use the criteria and priorities in §2516.500.

[59 FR 13786, Mar. 23, 1994, as amended at 74 FR 46504, Sept. 10, 2009]

## Subpart F—Distribution of Funds

### §2516.600 How are funds for school-based service-learning programs distributed?

(a) Of the amounts appropriated to carry out this part for any fiscal year, the Corporation will reserve not less than two percent and not more than three percent for grants to Indian Tribes and U.S. Territories to be allotted in accordance with their respective needs.

(b) The Corporation will use the remainder of the funds appropriated as follows:

(1) Allotments to States.

(i) From 50 percent of the remainder, the Corporation will allot to each State an amount that bears the same ratio to 50 percent of the remainder as the number of school-age youth in the State bears to the total number of school-age youth of all States.

(ii) From 50 percent of the remainder, the Corporation will allot to each State an amount that bears the same ratio to 50 percent of the remainder as the allocation to the State for the previous fiscal year under Chapter 1 of Title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6301 *et seq.*) bears to the allocations to all States.

(iii) Notwithstanding other provisions of paragraph (b)(1) of this section, for any fiscal year for which amounts appropriated for Part I of Subtitle B of Title I of the National and Community Service Act of 1990 (42 U.S.C. 12521 *et seq.*) exceed \$50,000,000, the minimum allotment to each State under this paragraph (b)(1) will be \$75,000.

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(2) For the purpose of paragraph (b) of this section, “State” means one of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.

(c) If a State or Indian Tribe does not submit an application that meets the requirements for approval under this part, the Corporation (after making any grants to community-based entities for activities in nonparticipating States) may use its allotment for States and Indian Tribes with approved applications, as the Corporation determines appropriate.

[74 FR 46504, Sept. 10, 2009]

### Subpart G—Funding Requirements

#### § 2516.700 What matching funds are required?

(a) The Corporation share of the cost of carrying out a program funded under this part may not exceed—

(1) Eighty percent of the total cost for the first year for which the program receives assistance;

(2) Sixty-five percent of the total cost for the second year; and

(3) Fifty percent of the total cost for the third year and any subsequent year.

(b) In providing for the remaining share of the cost of carrying out a program, each recipient of assistance must provide for that share through a payment in cash or in-kind, fairly evaluated, including facilities, equipment, or services, and may provide for that share through State sources, local sources, or Federal sources (other than funds made available under the national service laws or title I of the Elementary and Secondary Act of 1965 (20 U.S.C. 6311 *et seq.*)).

(c) The Corporation may waive the requirements of paragraph (b) of this section in whole or in part with respect to any program in any fiscal year if the Corporation determines that the waiver would be equitable due to a lack of available financial resources at the local level.

[74 FR 46504, Sept. 10, 2009]

#### § 2516.710 What are the limits on the use of funds?

The following limits apply to funds available under this part:

## 45 CFR Ch. XXV (10–1–24 Edition)

(a)(1) Not more than six percent of the grant funds provided under this part for any fiscal year may be used to pay for administrative costs, as defined in § 2510.20 of this chapter.

(2) The distribution of administrative costs between the grant and any subgrant is subject to the approval of the Corporation.

(3) In applying the limitation on administrative costs, the Corporation may approve one of the following methods in the award document:

(i) Limit the amount or rate of indirect costs that may be paid with Corporation funds under a grant or subgrant to six percent of total Corporation funds expended, provided that—

(A) Organizations that have an established indirect cost rate for Federal awards will be limited to this method; and

(B) Unreimbursed indirect costs may be applied to meeting operational matching requirements under the Corporation’s award;

(ii) Specify that a fixed rate of six percent or less (not subject to supporting cost documentation) of total Corporation funds expended may be used to pay for administrative costs, provided that the fixed rate is in conjunction with an overall 15 percent administrative cost factor to be used for organizations that do not have established indirect cost rates; or

(iii) Use such other method that the Corporation determines in writing is consistent with OMB guidance and other applicable requirements, helps minimize the burden on grantees or subgrantees, and is beneficial to grantees or subgrantees and the Federal Government.

(b) Funds made available under this part may not be used to pay any stipend, allowance, or other financial support to any participant in a service-learning program under this part except reimbursement for transportation, meals, and other reasonable out-of-pocket expenses directly related to participation in a program assisted under this part.

[74 FR 46505, Sept. 10, 2009]