

Myer Drive, Suite 300, Arlington, Virginia 22202 and labeled: Application for Research Under the Compassion Capital Fund. 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 handcarried by applicants, applicant couriers, or 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. at: OCS Operations Center, 1815 North Fort Myer Drive, Suite 300, Arlington, Virginia 22202 and labeled: Application for Research Under the Compassion Capital Fund. Applicants are cautioned that express/overnight mail services may not always deliver as agreed.

ACF cannot accommodate the transmission of applications by FAX or through other electronic media. Therefore, applications transmitted to ACF electronically will not be accepted regardless of date or time of submission and time of receipt.

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

*Extension of deadlines:* ACF may extend an application deadline for applicants affected by acts of God such as floods and hurricanes, when there is widespread disruption of mail service, or for other disruptions of services, such as a prolonged blackout, that affect the public at large. A determination to waive or extend deadline requirements rests with the Chief Grants Management Officer.

#### *E. Paperwork Reduction Act of 1995*

Under the Paperwork Reduction Act of 1995, Public Law 104-13, the Department is required to submit to OMB for review and approval any reporting and record keeping requirements in regulations including program announcements. All information collections within this program announcement are approved under the following current valid OMB control numbers 0348-0043, 0348-0044, 034800040, 0348-0046, 0925-0418 and 0970-0139.

Public reporting burden for this collection is estimated 10 hours per response, including the time for reviewing instructions, gathering and maintaining the data needed and reviewing the collection of information.

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.

Dated: May 31, 2002.

**Wade F. Horn,**

*Assistant Secretary for Children & Families.*

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## **DEPARTMENT OF HEALTH AND HUMAN SERVICES**

### **Office of Community Services**

**[Program Announcement No. 2002-14]**

#### **Compassion Capital Fund Demonstration Program**

**AGENCY:** The Office of Community Services (OCS), Administration for Children and Families (ACF), Department of Health and Human Services (HHS).

**ACTION:** Announcement of the request for competitive applications and the availability of federal funding to organizations to provide technical assistance to help faith-based and community-based organizations.

**SUMMARY:** This announcement, together with other steps that HHS is taking, lays a foundation for expanding the role in social services of faith-based and other community-serving groups, building capacity and knowledge among these organizations to better meet the needs of the poor and low-income families and individuals, and encouraging the replication of effective programs. The program announced here will provide Compassion Capital funds to organizations (herein referred to as "intermediary organizations") that have demonstrated an ability to assist faith- and community-based organizations, particularly smaller organizations, in a variety of areas, including, but not limited to, their efforts to effectively operate and manage their programs, access funding from varied sources, develop and train staff, expand the types and reach of social services programs in their communities, or replicate promising models or programs. (Throughout this document "social services" be taken to include promotion, treatment, and prevention services related to primary health care, substance abuse treatment, mental health treatment, HIV/AIDS and related aspects of public health services directed to low-income families and individuals.) In addition, recipients of awards under this announcement will issue awards or

sub-awards for start-up and operational costs to qualified faith- and community-based organizations to expand or replicate promising or best practices in targeted areas.

The Administration for Children and Families (ACF) is the agency designated to issue initial awards under the Fund. However, the work supported through such awards is expected to address a broad array of services and programs and to complement related activities in other parts of HHS and other federal departments. The Compassion Capital Fund will help further the President's goals and objectives regarding faith- and community-based organizations and will enhance work being supported by multiple federal agencies. ACF estimates that the funds available under this announcement will support 15-25 cooperative agreements<sup>1</sup> with intermediary organizations. The Federal government plans to work in partnership with others who have similar goals and interests in strengthening organizations operating closest to those most in need. Therefore, ACF seeks applicants who can share in the cost of the activities described in this announcement. Applicants are expected to provide at least 50 percent of the amount of Federal funds requested (*i.e.*, one-third of the proposed total budget).

**DATES:** The closing date for submission of applications is July 22, 2002. Mailed applications received after the closing date will be classified as late. See Part IV of this announcement for more information on submitting applications.

In order to determine the number of expert reviewers that will be necessary, if you plan to submit an application, you are requested, but not required, to mail, fax, or e-mail written notification of your intentions at least 30 calendar days prior to the submission deadline date. Send the notification, with the following information: the name, address, telephone and fax numbers, and e-mail address of the project director and the name of the applicant to: OCS Operations Center, 1815 North Fort Myer Drive, Suite 300, Arlington, Virginia 22202 or fax to (703) 248-8765 or e-mail to [OCS@lcnnet.com](mailto:OCS@lcnnet.com). Label all submissions as follows: Intent to Apply for Compassion Capital Fund Demonstration Program.

**ADDRESSES:** Mailed applications should be sent to OCS Operations Center, 1815 North Fort Myer Drive, Suite 300, Arlington, Virginia 22202 and labeled as

<sup>1</sup> A cooperative agreement allows substantial Federal involvement in the activities undertaken with Federal financial support.

follows: Application for Compassion Capital Fund Demonstration Program.

Hand delivered, courier or overnight delivery applications are accepted during the normal working hours of 8 a.m. to 4:30 p.m., Monday through Friday (excluding Federal holidays), on or prior to the established closing date. All packages should be clearly labeled as follows: Application for Compassion Capital Fund Demonstration Program. The address for these applications is: OCS Operations Center, 1815 North Fort Myer Drive, Suite 300, Arlington, Virginia 22202.

The printed Federal Register notice is the only official program announcement. Any corrections to this announcement will be published in the **Federal Register** as well as published on the ACF World Wide Web Pages. The Web site is <http://www.acf.dhhs.gov/programs/opre/frpa.htm>.

Although reasonable efforts are taken to assure that the files on the ACF World Wide Web Pages containing electronic copies of this Program Announcement are accurate and complete, they are provided for information only. The applicant bears sole responsibility to assure that the copy downloaded and/or printed from any other source is accurate and complete.

**FOR FURTHER INFORMATION CONTACT:** LCG OCS Operations Center, 1-800-281-9519; e-mail: [OCS@lcnnet.com](mailto:OCS@lcnnet.com). ACF intends to post answers to frequently asked questions on the ACF Web site at <http://www.acf.dhhs.gov/programs/ocs>. Required application forms are available at: <http://www.acf.dhhs.gov/programs/ofs/forms.htm>.

**SUPPLEMENTARY INFORMATION:** This program announcement consists of four parts: Part I: Background and Program Purpose—legislative authority, background, and program purpose and objectives; Part II: Project and Applicant Eligibility—eligible applicants, funding availability and instruments, cost sharing, and roles and responsibilities under the cooperative agreement; Part III: The Review Process—intergovernmental review, initial ACF screening, general instructions for the Uniform Project Description, competitive review and evaluation criteria, and review process; and Part IV: The Application Process—required forms, application limits, checklist for complete application, application submission, and Paperwork Reduction Act.

## Part I. Background and Program Purpose

### A. Legislative Authority

Funding under this announcement is authorized by section 1110 of the Social Security Act governing Social Services Research and Demonstration activities (Catalog of Federal Domestic Assistance 93.647) and the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2002, Pub. L. 107-116, Title II (2002).

### B. Background

Support and assistance for individuals and families in need can come from many sources. While governments play a vital role in providing services, the nonprofit sector—secular and religiously affiliated providers, civic groups, foundations and other grant-givers—has long been a vital and valued partner of government. Faith-based and community-based organizations have a long history of providing an array of important services to people and communities in need of charitable services in the United States. These groups have unique strengths that government cannot duplicate. They often operate very close to the daily lives of individuals and families in need and, thus, can reach needy individuals and families that government cannot reach. They are part of their communities. They hold the trust of their community neighbors and leaders and have great understanding of the needs of the community and its systems. They are well positioned to understand the needs of individuals and families, particularly those with the greatest needs such as families in poverty, prisoners reentering the community and their families, children of prisoners, homeless families, and at-risk youth. Furthermore, the sense of mission from which they work often translates into a unique approach to service delivery, a dedication of service to others, and a cultural awareness of issues and relationships specific to their surrounding communities.

In recognition of this history and ability, President Bush believes it is in the public's interest to broaden federal efforts to work with faith-based and community-based organizations and has made improving funding opportunities for such organizations a priority. On January 29, 2001, President Bush issued Executive Order 13198 directing the heads of the Departments of Health and Human Services, Justice, Education, Labor, and Housing and Urban Development to establish within their

respective departments a Center for Faith-Based and Community Initiatives.

The goal of these Centers is to make their agencies as open and supportive as possible to successful faith-based and grassroots organizations. They are responsible for coordinating efforts to eliminate regulatory, contracting, and other programmatic obstacles to the full participation of faith-based and community organizations in the provision of social services. In addition, they work to create a hospitable environment for groups that have not traditionally collaborated with government, make sure that departmental communications and technical assistance efforts are open to faith-based and community organizations, and implement special programs designed to showcase and pioneer innovative efforts.

A key part of the effort to enhance and expand the participation of faith-based and community-based groups in serving those in need is the Compassion Capital Fund program described in this announcement. Funds awarded under this program will be used to support the work of intermediary organizations to increase the capacity and capability of faith-based and community-based organizations, to assist them in competing for funding from varied sources (e.g., federal/state/local governments, private charitable organizations/foundations) and in partnering with other organizations in their localities, and to help them implement best practices in program management and in the services they provide to individuals and families. The entities awarded funds under this announcement will serve as partners to both the federal government and to the faith- and community-based organizations that they assist. The intermediaries will represent a diverse set of ideas and organizational and/or religious affiliations. They will work with a diverse group of community-level organizations with differing service goals, target populations, and religious and community affiliations and beliefs.

The program described in this announcement is the centerpiece of this year's Compassion Capital Fund initiative. ACF expects to award a total of up to \$24.5 million under this announcement. ACF estimates that 15–25 intermediary organizations can be supported by this level of funding. The level of funding includes funds that will be used by intermediary organizations to provide technical assistance and make sub-awards to help the faith-based and community-based organizations that they assist to replicate or expand

best practices and model programs in targeted areas. In addition to activities supported through this announcement, the Compassion Capital Fund will also be used to provide funding for other activities that will support the intermediary organizations in their work, provide capacity-building support at the national level, identify and disseminate information about best practices, and build knowledge related to a broad array of questions regarding faith- and community-based organizations and the intermediary organizations that work with them.<sup>2</sup>

These activities lay the groundwork for what will be an on-going effort to expand the role in social services of faith-based and other community-serving groups. Future Compassion Capital Funds will be used to build on and expand this effort. Applicants that receive awards pursuant to this announcement may be eligible for continuation grants and additional intermediary organizations may be funded. In addition, we will explore other means to assist faith-based and community-based groups. Further, we will work closely with others sponsoring and conducting related activities within the Federal government and outside of it to build on their experience and ours to formulate future plans for the types of activities and work that should be supported.

### C. Program Purpose and Objectives

The purposes of this Compassion Capital Fund program are to help build capacity and knowledge among faith- and community-based organizations and encourage the replication of effective approaches and programs to better meet the needs of poor and low-income individuals and families. This will be accomplished through the funding of intermediary organizations that have demonstrated expertise in working with and providing technical assistance to a diverse set of faith- and community-based organizations in a variety of areas, including, but not limited to, their efforts to effectively operate and manage their programs, access governmental and private funding sources, develop and train staff, expand the types and reach of services in their communities, or replicate promising models or programs. The types of faith- and community-based organizations to be served by the intermediary organizations are expected to be diverse

in size, range of experiences, types of services provided (e.g., family crisis services, welfare-to-work services, services for at-risk youth, preventive health services, and other services directed to address problems stemming from poverty), types of individuals or families served, types of organizations, religious or organizational affiliation, and in other dimensions. It is our objective that Compassion Capital Funds be directed at those organizations that primarily focus their services on those most in need. The program purposes will be further accomplished through the issuance of sub-awards by the funded intermediary organizations to a diverse set of faith- and community-based organizations for start-up, operations, or expansions of promising operating systems or social service programs ("best practices"). ACF expects that intermediary organizations will develop a coherent plan that utilizes both technical assistance and sub-awards and that provides for the establishment of ongoing supportive relationships with those faith- and community-based organizations served, rather than on single or short-term interactions.

The technical assistance activities are to be conducted at no cost to interested faith- and community-based organizations and may include, but are not limited to, the following:

- Needs assessments for faith- and community-based organizations to identify internal areas needing improvement or areas in which to develop or expand services in the community to address service gaps;
- Guidance and direction with strategic planning and project development;
- Provision of legal assistance in various areas such as the process of incorporation, obtaining tax-exempt status, tax issues, or establishing oversight/governance boards;
- Development and implementation of appropriate and adequate internal operating controls and procedures related to all aspects of business management;
- Training and assistance in grant writing and business proposal development and how to access government (e.g., federal/state/local) and private funding sources (e.g., private charitable organizations/foundations);
- Training and information on applicable federal and other funding requirements (e.g., administrative requirements, cost principles, regulations, circulars);
- Training and information on appropriate approaches for financial management and accounting;

- Training and information on the development and use of outcome measurements and methods of evaluation;
- Expert assistance in understanding findings related to "best practices" and how to interpret the findings and address potential barriers and incorporate "best practices" into their programs to improve effectiveness;
- Training and information on developing or improving public relations or internal and external communication;
- Recommendations and information about expanding outreach and client screening, intake or tracking methods;
- Expert assistance or facilitation in linking and networking with other agencies to improve service coverage, avoid duplication, improve coordination within the service area, or create opportunities for sharing resources (e.g., audit, bookkeeping or information technology services); or
- Information on and referrals to other information sources including regional and national organizations that provide expert advice or offer professional support services in areas not otherwise covered.

This is an illustrative, not exhaustive, listing of the sort of activities that may be provided by the intermediary organizations awarded funds under this announcement. The technical assistance portion of the award may not be used for direct services to needy individuals or families and shall not supplant existing funding available for similar activities. Compassion Capital Funds shall not be used to support religious practices such as religious instruction, worship or prayer.

As indicated above, in addition to supporting technical assistance, funds provided through this announcement will also be used to make sub-awards to a diverse set of faith- and community-based organizations for start-up or operational costs related to the replication or expansion of "best" or "promising" practices. Priority for sub-awards should be given to programs that address homelessness, hunger, at-risk children, transition from welfare to work, and those in need of intensive rehabilitation such as addicts or prisoners. Applicants may also propose to use non-federal funds to make awards for these purposes (e.g., one of the uses of funds that meet the cost sharing provision described below). These awards or sub-awards may not supplant funding that the faith- or community-based grantees rely on for current operations of program services. Further, as appropriate, the technical assistance

<sup>2</sup> The other activities include the establishment of a Compassion Capital National Resource Center and research to build knowledge in this important area. Additional information about these other activities will be available as soon as the information is public.

provider may assist faith- and community-based organizations in seeking additional funds from other sources for the activities supported by the award or sub-award. The approach the intermediary will use for seeking applications or otherwise responding to requests for funding, making sub-awards, and accounting for their use may vary across intermediary organizations. However, each approved intermediary organization must develop and submit a plan for this process to ACF for review and approval within 60 days of receipt of award under this announcement and prior to the issuance of any sub-awards using federal funds awarded under this announcement. Intermediary organizations must report on the use of funds for sub-awards as they do for other types of expenditures of Federal funds received as a result of an award under this announcement and as specified in the Cooperative Agreement. Intermediary organizations must also develop and submit a plan for working with sub-awardees to develop outcome measures and to evaluate the activities supported by the sub-awards made with Federal funds under this announcement.

Further, approved applicants must be willing to work closely with ACF and any entities funded by ACF to coordinate, assist, or evaluate the activities of the intermediary organizations providing technical assistance. Proposed budgets should include the cost of travel related-expenses for key personnel with responsibility for the Compassion Capital Fund award to attend two meetings with Federal officials and others in Washington, DC during the first 12-month budget period. The first meeting will be held shortly after awards are made under this announcement and will focus on orientation to Federal objectives for the project, information about related activities supported by HHS and other Federal agencies,<sup>3</sup> Federal grants management requirements, and coordination between and among the approved intermediary organizations and other entities funded by ACF to be involved in the Compassion Capital Fund initiative.

The Federal government is interested in partnering with applicant organizations who share the same

<sup>3</sup> Under the President's Faith-based and Community Initiative program, Federal agencies have begun to provide technical assistance and training services to faith- and community-based organizations and address barriers to their participation in federally sponsored programs. Successful applicants under this announcement must coordinate and not duplicate services.

vision, have similar goals, and are willing to share in the cost of this important set of activities. Therefore, ACF is seeking applicants who can provide funding for the proposed project that equal at least 50 percent of the amount of Federal funds requested (*i.e.*, one-third of the total budget).

## Part II. Project and Applicant Eligibility

The Administration for Children and Families (ACF), Department of Health and Human Services (HHS) invites eligible entities to submit competing applications for the Compassion Capital Fund Demonstration Program.

### A. Eligible Applicants

ACF invites applications from a wide variety of types of organizations or entities that can demonstrate knowledge and experience in the provision of the types of technical assistance described herein to a diverse group faith-based and community-based organizations representing different organizational or religious affiliations. Further, ACF encourages applications from applicants that propose to work with and have experience working with faith- and community-based organizations that historically have not been well served or supported by governmental funds and have the greatest needs.

Nongovernmental organizations, non-profit agencies, including faith-based organizations, public agencies, State and local governments, colleges and universities, and for-profit entities may submit applications under this announcement. It should be noted, however, that no federal funds received as a result of this announcement can be paid as profit to grantees or sub-grantees, *i.e.*, any amount in excess of allowable direct and indirect costs of the recipient (45 CFR 74.81).

### B. Funding Availability and Instruments

**Project and Budget Periods**—This announcement is soliciting applications for project periods up to 3 years (36 months). Awards, on a competitive basis, will be for a 12-month budget period, although project periods may be for 3 years. Applications for continuation grants beyond the first 12-month budget period but within the 36-month project period will be entertained in subsequent years on a noncompetitive basis, subject to the availability of funds, satisfactory progress of the grantee, and a determination that continued funding would be in the best interest of the Federal Government.

**Instrument and Funding**: ACF will issue the Financial Assistance Awards under this announcement as cooperative

agreements. ACF expects to award a total of up to \$24.5 million under this announcement. ACF estimates that 15–25 intermediary organizations can be supported by this level of funding. The level of funding includes funds that will be used by intermediary organizations to provide technical assistance and make sub-awards to help the smaller faith-based and community-based organizations that they assist. Applicants shall specify in their budget documents estimates of the amount of funds to be used for each purpose (technical assistance and sub-awards). ACF expects to award funds both to applicants that propose to provide technical assistance and sub-awards in single geographic coverage areas and those that propose to provide technical assistance and sub-awards in multiple areas. ACF expects that the amount of the funding requested per applicant will reflect the coverage area proposed in the application as well as the range of activities proposed and justified in the application. It is anticipated that applicants that propose to provide technical assistance and make sub-awards over a larger coverage area (*e.g.*, regional or multi-city/county) will require more support than applicants proposing to cover smaller areas (*e.g.* a single city/county).

### C. Cost Sharing

Grantees should provide a minimum cost share of fifty (50) percent of the total Federal funds requested for each 12-month budget period. The non-Federal share may be met by cash or in-kind contributions, although applicants are encouraged to meet the cost share through cash contributions. As an example, an applicant requesting \$1 million in Federal funds would include a cost share of at least \$500,000 (*i.e.*, the non-Federal funds equal 50% of the Federal funds requested) and an applicant requesting \$500,000 in Federal funds would include a cost share of at least \$250,000.

### D. Roles and Responsibilities Under the Cooperative Agreement

#### Federal Officials Minimum Responsibilities

1. Promote collaborative relationships and facilitate the exchange of information (*e.g.*, identified technical assistance and training needs, emerging issues, research findings, available resources, model programs) among intermediary organizations funded under this announcement and between the funded intermediaries and other entities or organizations engaged by

ACF for purposes related to the Compassion Capital Fund.

2. Provide consultation to each approved intermediary organization with regard to the development of work plans, special issues and concerns and approaches to address problems that arise, and identification of any special focus areas for technical assistance.

3. Provide timely review, comment, and approval on sub-award plans and procedures submitted by approved intermediary organizations.

4. Sponsor meetings of all technical assistance providers funded under the Compassion Capital Fund demonstration program to promote coordination, information sharing, and access to resources, training and learning opportunities.

5. Work together to address issues or problems identified by the intermediary organization, ACF, or others with regard to the applicant's ability to carry out the full range of activities included in the approved application in the most efficient and effective manner.

#### Applicant Minimum Responsibilities

1. Develop and implement work plans that will ensure that the services and activities included in the approved application address the needs of faith- and community-based organizations in an efficient, effective and timely manner.

2. Submit for Federal approval plans and procedures for the issuance of sub-awards within 60 days of receipt of approval under this announcement and prior to the issuance of any such sub-awards. The plan shall indicate how priority will be given to programs that address homelessness, hunger, at-risk children, welfare-to-work transition, and individuals needing intensive rehabilitation such as addicts and prisoners. Submit regular reports, no less frequently than quarterly, on sub-awards made with Federal funds that include, at a minimum, name and description of the organization receiving the sub-award, summary of the purpose of the award (how the funds are to be used), the amount of award, and the proposed plan for outcomes measurement and program evaluation of the activities that will be supported with sub-award funds made with Federal funds awarded under this announcement.

3. Work collaboratively with ACF officials, other Federal agency officials conducting similar activities, the other intermediary organizations approved under this announcement, and other entities or organizations engaged by ACF to assist in carrying out the

purposes of the Compassion Capital Fund program.

4. Ensure that key staff attends and participates in ACF sponsored workshops and meetings.

5. Develop a reporting system and submit required quarterly progress and financial reports timely and completely. In addition to information about sub-awards as specified in item 2, above, the regular quarterly reports shall include, at a minimum, information about the technical assistance provided and unduplicated listings of the organizations receiving assistance during the period. Such listings shall include the organization name, type (e.g., faith-based, community-based), location, a brief description of the organization, and brief summary of the technical assistance provided.

### Part III. The Review Process

#### A. Intergovernmental Review

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 applications for Federal assistance under covered programs.

As of April 8, 2002, the jurisdictions listed below 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 Executive Order 12372. Although the jurisdictions listed below no longer participate in the process, grant applicants are still eligible to apply for a grant even if a state, territory, commonwealth, etc. does not have a Single Point of Contact (SPOC).

Alabama; Alaska; Arizona; Colorado; Connecticut; Kansas; Hawaii; Idaho; Indiana; Louisiana; Massachusetts; Minnesota; Montana; Nebraska; New Jersey; New York; Ohio; Oklahoma; Oregon; Palau; Pennsylvania; South Dakota; Tennessee; Vermont; Virginia; Washington and Wyoming.

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. The applicant must submit all required materials, if any, to the SPOC and indicate the date of the 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. Applicants must submit any required material to the SPOCs as soon as possible so that the Federal program office can obtain and review SPOC comments as part of the award process. A listing of the SPOC for each participating state and territory with contact and address information is available at: <http://www.whitehouse.gov/omb/grants/spoc.html>.

#### B. Initial ACF Screening

Each application submitted under this program announcement will undergo a pre-review to determine that (1) the application was received by the closing date and submitted in accordance with the instructions in this announcement and (2) the applicant is eligible for funding.

#### C. General Instructions for the Uniform Project Description

The following ACF Uniform Project Description has been approved under OMB Control Number 0970-0139, which expires 12/31/2003. This format is to be used to submit an application under this announcement. 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.

Consistent with the Uniform Program Description format, the specific evaluation criteria applicable to this program follows in section D.

1. *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.

2. *Results or Benefits Expected:* Identify the results and benefits to be derived. For example, when applying for an award to provide technical assistance to community and faith-based charitable organizations, describe specific goals of the proposed technical assistance strategy; e.g., expansion of program capacity; increase in types of services offered; increased access to funding from different sources and sectors; improvement in staff capabilities; or replication of successful program models ("best practices").

3. *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. Describe how the faith- and community-based organizations with which they would work have been underserved by Federal and other resources in the past and the reasons why the applicant believes its services would benefit the types of faith- and community-based organizations intended to be served through the Compassion Capital Fund. Describe past experience working with faith-based and community organizations to address social needs.

Provide quantitative monthly or quarterly projections of the accomplishments to be achieved for each function or activity in, for example, such terms as the average number of days of technical assistance to be provided, the number of faith and/or community-based organizations to be provided services, or number of sub-awards to be issued to faith- or community-based organizations. 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 HHS." List organizations, cooperating entities, consultants, or other key individuals whom will work on the project along

with a short description of the nature of their effort or contribution.

4. *Geographic Location:* Describe the precise location of the project and boundaries of the area to be served by the proposed project. Maps or other graphic aids may be attached.

5. *Staff and Position Data:* Provide a biographical sketch for each key person appointed and a job description for each vacant key position. A biographical sketch will also be required for new key staff as appointed.

6. *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.

*Budget and Budget Justification Guidelines:* The following guidelines are for preparing the budget and budget justification. Both Federal and non-Federal resources shall be detailed and justified in the budget and narrative justification. For purposes of preparing the budget and budget justification, "Federal resources" should refer only to the HHS grant for which you are applying. For these purposes, "Non-federal resources" are all other resources. If other Federal resources will be used, they should be included under Non-Federal for budget display purposes but other Federal resources may NOT be used to meet the cost sharing provision, as discussed in Part II, section D. It is suggested that budget amounts and computations be presented in a columnar format: first column, object class categories; second column, Federal budget; next column(s), non-Federal budget(s), and last column, total budget. The budget justification should be a narrative.

#### Personnel

*Description:* Costs of employee salaries and wages.

*Justification:* Identify the project director or principal investigator, if known. For each staff person, provide the title, time commitment to the project (in months), time commitment to the project (as a percentage or full-time equivalent), annual salary, grant salary, wage rates, etc. Do not include the costs of consultants or personnel costs of delegate agencies or of specific

project(s) or businesses to be financed by the applicant.

#### Fringe Benefits

*Description:* Costs of employee fringe benefits unless treated as part of an approved indirect cost rate.

*Justification:* Provide a breakdown of the amounts and percentages that comprise fringe benefit costs such as health insurance, FICA, retirement insurance, taxes, etc.

#### Travel

*Description:* Costs of project-related travel by employees of the applicant organization (does not include costs of consultant travel).

*Justification:* For each trip, show the total number of traveler(s), travel destination, duration of trip, per diem, mileage allowances, if privately owned vehicles will be used, and other transportation costs and subsistence allowances. Travel costs for key staff to attend HHS sponsored workshops should be detailed in the budget.

#### Equipment

*Description:* "Equipment" means an article of tangible, non-expendable, personal property having a useful life of more than one year and an acquisition cost which equals or exceeds the lesser of (a) the capitalization level established by the organization for the financial statement purposes, or (b) \$5,000. (**Note:** Acquisition cost means the net invoice unit price of an item of equipment, including the cost of any modifications, attachments, accessories, or auxiliary apparatus necessary to make it usable for the purpose for which it is acquired. Ancillary charges, such as taxes, duty, protective in-transit insurance, freight, and installation shall be included in or excluded from acquisition cost in accordance with the organization's regular written accounting practices.)

*Justification:* For each type of equipment requested, provide a description of the equipment, the cost per unit, the number of units, the total cost, and a plan for use on the project, as well as use or disposal of the equipment after the project ends. An applicant organization that uses its own definition for equipment should provide a copy of its policy or section of its policy which includes the equipment definition.

#### Supplies

*Description:* Costs of all tangible personal property other than that included under the equipment category.

*Justification:* Specify general categories of supplies and their costs. Show computations and provide other

information which supports the amount requested.

#### Contractual

*Description:* Costs of all contracts for services and goods except for those that belong under other categories such as equipment, supplies, construction, etc. Third-party evaluation contracts (if applicable) and contracts with secondary recipient organizations, including delegate agencies and specific project(s) or businesses to be financed by the applicant, should be included under this category.

*Justification:* All procurement transactions shall be conducted in a manner to provide, to the maximum extent practical, open and free competition. Recipients and subrecipients, other than States that are required to use Part 92 procedures, must justify any anticipated procurement action that is expected to be awarded without competition and exceed the simplified acquisition threshold fixed at 41 U.S.C. 403(11) (currently set at \$100,000). Recipients might be required to make available to HHS pre-award review and procurement documents, such as request for proposals or invitations for bids, independent cost estimates, etc.

**Note:** Whenever the applicant intends to delegate part of the project to another agency, the applicant must provide a detailed budget and budget narrative for each delegate agency, by agency title, along with the required supporting information referred to in these instructions.

#### Construction

N/A.

#### Other

Enter the total of all other costs. Such costs, where applicable and appropriate, may include but are not limited to insurance, food, medical and dental costs (noncontractual), professional services costs, space and equipment rentals, printing and publication, computer use, training costs, such as tuition and stipends, staff development costs, and administrative costs.

*Justification:* Provide computations, a narrative description and a justification for each cost under this category.

#### Indirect Charges

*Description:* Total amount of indirect costs. This category should be used only when the applicant currently has an indirect cost rate approved by the Department of Health and Human Services (HHS) or another cognizant Federal agency. Applicants without an approved indirect cost rate may charge related costs as direct costs.

*Justification:* An applicant that will charge indirect costs to the grant must enclose a copy of the current rate agreement. If the applicant organization is in the process of initially developing or renegotiating a rate, it should immediately upon notification that an award will be made, develop a tentative indirect cost rate proposal based on its most recently completed fiscal year in accordance with the principles set forth in the cognizant agency's guidelines for establishing indirect cost rates, and submit it to the cognizant agency. Applicants awaiting approval of their indirect cost proposals may also request indirect costs. It should be noted that when an indirect cost rate is requested, those costs included in the indirect cost pool should not also be charged as direct costs to the grant. Also, if the applicant is requesting a rate which is less than what is allowed under the program, the authorized representative of the applicant organization must submit a signed acknowledgment that the applicant is accepting a lower rate than allowed.

#### Program Income

*Description:* The estimated amount of income, if any, expected to be generated from this project.

*Justification:* Describe the nature, source and anticipated use of program income in the budget or refer to the pages in the application which contain this information.

#### Non-Federal Resources

*Description:* Amounts of non-Federal resources that will be used to support the project as identified in Block 15 of the SF424.

*Justification:* The firm commitment of these resources must be documented and submitted with the application in order to be given credit in the review process. A detailed budget must be prepared for each funding source.

**Note:** In the SF424A, Section B, Budget Categories, list in column 2 non-federal resources separately from federal resources, which must be listed in column 1.

#### D. Competitive Review and Evaluation Criteria

Applications which pass the initial ACF pre-review screening will be evaluated and rated by an independent review panel on the basis of specific evaluation criteria. The evaluation criteria were designed to assess the quality of the proposed project and to determine the likelihood of its success. The evaluation criteria are closely related and are considered as a whole in judging the overall quality of an application. Points are awarded only to

applications that are responsive to the evaluation criteria within the context of this program announcement.

There is no formal page limit for the complete application. However, ACF estimates that applicants should require no more than 30 pages to provide needed information. Applicants are highly encouraged to be concise and only provide the information requested and needed. Supplementary information (e.g., brochures, reports) not required in this announcement will not be reviewed. More information about application submission is provided under Part IV, below.

Proposed projects will be reviewed using the following evaluation criteria:

#### (1) Approach: (40 Points)

The proposed program approach should consist of two parts: (1) A technical assistance strategy; and, (2) a plan for the issuance of awards or sub-awards by the applicant to faith- and community-based organizations.

The application should describe the proposed approaches for assessing the range of needs and for the design and delivery of customized technical assistance to faith- and community-based organizations within the geographic area proposed to be covered. The application should include discussion of the types of assistance and supports that are to be provided with Federal funds, describe in detail the proposed approaches to identify diverse organizations that might benefit from the services available, and discuss methods to reach and involve large numbers of such organizations, including small organizations and those with which the applicant has less experience. In addition, the application should describe proposed methods to effectively address a variety of needs of such organizations to increase their capacity and effectiveness, and whether the methods have been effectively used by successful service programs. The application should describe how the proposed geographic area will be covered. Further, the application should include discussion of the proposed schedule for accomplishing the activities planned and factors that may negatively affect the project, and suggestions for addressing such factors.

The application should provide information about the methods expected to be used to make sub-awards including: Methods for informing potential applicants about the funds available; methods for soliciting applications or requests for sub-awards; the proposed application and/or decision making process; the criteria to be used for identifying "best" or

“promising” practices when sub-awards would be made to replicate or expand such practices; the methods to be used to make award and process sub-awards; and the plan for outcomes measurement and program evaluation of the activities that will be supported with sub-award funds made with Federal funds awarded under this announcement.

The application will also be judged on the extent to which the proposed approaches to providing technical assistance to faith- and community-based organizations are thorough, adequate, workable, and likely to meet successfully a range of needs of such organizations and the stated objectives under this announcement. In addition, the application will be judged on the reasonableness and appropriateness of the approach proposed in relation to the geographic area proposed to be covered, the range of types of organizations expected to be assisted within the coverage area, and methods to inform and reach varied types of organizations particularly small organizations that have typically not been involved in similar activities.

The application will also be judged on the extent to which the plan for sub-awards is clear, well conceived, reasonable, likely to meet the objectives for the activity as set out in this announcement, including making sub-awards to address the priority areas identified. In addition, the application will be judged on the extent to which the plan is fiscally responsible and sound but not overly burdensome for faith- and community-based organizations. Further, the application will be judged on the extent to which both parts of the program approach (technical assistance and sub-awards) are combined to form a coherent plan to achieve the expected results and benefits, establish positive, ongoing relationships between the intermediary and smaller organizations, and meet the objectives of the Compassion Capital Fund. The application will also be judged on the reasonableness of the proposed schedule for accomplishing tasks proposed.

**(2) Results or Benefits Expected: (15 points)**

The application should include discussion of the specific goals of the proposed technical assistance strategy and sub-awarding process. The application should describe who the results will benefit, how the results may benefit such individuals or organizations, and why the results would be expected to be beneficial. The application will be judged on the extent to which the benefits proposed by the

applicant are reasonable and likely, will support the stated goals under this announcement, and can be expected to have a positive impact on faith- and community-based organizations, particularly very small organizations or those which have not traditionally been served by Federal and other resources. The application will be judged on the extent to which the results are likely to be beneficial to a wide range of clearly identifiable parties.

**(3) Staff and Position Data: (15 Points)**

The application should include a listing of key positions required to carry out the project as proposed, the key individuals proposed to fill the positions (*i.e.*, both in the management/oversight arena and in the area of day-to-day operations) and a detailed description of the kind of work the individuals will perform within the project. The application should provide evidence of the staff's skill, knowledge and experience in carrying out the sort of activities to be assigned to them and describe their relevant training. Similar information should be provided with regard to consultants or staff from other organizations proposed to work on the project. The application should also describe the applicant organization, its mission, and experience in supporting the types of activities and staffing likely to be required under this announcement and the types of support expected to be provided by the organization for the project. The application should clearly describe past experiences working with faith- and community-based organizations to address social needs.

The application will be judged on the extent to which proposed staff has demonstrated skills, knowledge, and experience in providing technical assistance and support of the types set out under this announcement and required by faith- and community-based organizations and in carrying out the specific activities to be assigned to them. The application will be also be judged on the extent of demonstrated organizational experience and capability to support and conduct work on the scope and scale as proposed in the application.

Further, the application will be judged on the appropriateness of the management plan to ensure that: work is accomplished as proposed and on schedule; appropriate lines of communication and oversight are established; appropriate methods to monitor quality of work are proposed; and appropriate methods to work closely and cooperatively with ACF and other entities funded by ACF are addressed.

**(4) Objectives and Need for Assistance: (10 points)**

The applications should include discussion of (1) the needs and types of technical assistance required by faith- and community-based organizations in the geographic area that the applicant proposes to serve; and (2) the issues and challenges the applicant has considered and dealt with in designing and providing technical assistance and support to faith-based and community-based organizations. In addition, the application should include a discussion of the extent to which faith- and community-based organizations with which they would work have been underserved by Federal and other resources in the past and reasons why the applicant believes its services would benefit the types of faith- and community-based organizations intended to be served through the Compassion Capital Fund. Applications will be judged on the clarity and thoroughness of the discussion and its relevance to the program objectives set out within this announcement.

**(5) Geographic Location: (10 points)**

The application should include a description of the precise geographic location proposed to be served, including the boundaries of the area, and the rationale for the geographic area proposed. Maps or other graphic aids may be included. Applications should include information about the experience and capability of the applicant to address the needs of faith- and community-based organizations in the proposed geographic area.

The application will be judged on the extent to which the proposed geographic coverage area is clearly defined, reasonable given the relevant background and experience of the applicant organization, reasonable given the proposed approach, staffing, and project budget, and reasonable and adequate to allow the activities as described in this announcement to be provided to a range of faith- and community-based organizations in need of such services.

**(6) Budget and Budget Justification: (10 points)**

The application must include a narrative description and justification for each of the proposed budget line items (as described in the detailed budget instructions included above) and demonstrate that the project's costs are adequate, reasonable and necessary for the activities or personnel to be supported. The proposed budget must clearly distinguish between the two

program activities: technical assistance and awards/sub-awards, and set out the Federal share and non-Federal share of project costs.

Applications that do not include the cost sharing amount specified in Part II will not receive any points under this criteria. For those that meet the cost share provision, the application will be judged on the extent to which the budget is clear, adequate, reasonable, and necessary to support and successfully carry out the tasks and activities proposed and support the number and kinds of staff necessary.

(Applicants should refer to the budget information presented in the Standard Forms 424 and 424A and to the budget justification instructions in section C. *General Instructions for the Uniform Project Description*. Since non-Federal reviewers will be used in the review of applications, applicants may omit from the copies of the application submitted (not from the original), the specific salary rates or amounts for individuals in the application budget and instead provide only summary information.)

#### E. The Review Process

Applications received by the due date will be reviewed and scored competitively. Experts in the field, generally persons from outside the Federal Government, will use the evaluation criteria listed in Part III of this announcement to review and score the applications. The results of this review are a primary factor in making funding decisions. ACF may also solicit comments from Regional Office staff and other Federal agencies. In order to ensure that the interests of the Federal Government are met in making the final selections, in addition to the review criteria identified above, ACF may consider a variety of factors including geographic diversity/coverage and types of applicant organizations. Further, ACF may limit the number of awards made to the same or affiliated organizations although they would serve different geographic areas. In this way ACF may increase opportunities for learning about different ways to provide technical assistance and support to faith- and community-based organizations.

Please note that applicants that do not comply with the requirements in the section on "Eligible Applicants" will not be included in the review process.

### Part IV. The Application Process

#### A. Required Forms

Eligible applicants interested in applying for funds must submit a complete application including the

required forms listed under the "Checklist for complete application" in Part IV of this announcement. All necessary forms are available at: <http://www.acf.dhhs.gov/programs/ofsf/forms.htm>.

In order to be considered for a grant under this announcement, an application must be submitted on the Standard Form 424 approved by the Office of Management and Budget under Control Number 0348-0043. Each application must be signed by an individual authorized to act for the applicant and to assume responsibility for the obligations imposed by the terms and conditions of the grant award. Applicants requesting financial assistance for non-construction projects must file the Standard Form 424B, Assurances: Non-Construction Programs (approved by the Office of Management and Budget under control number 0348-0040). Applicants must sign and return the Standard Form 424B with their application.

Applicants must provide a certification concerning lobbying. Prior to receiving an award in excess of \$100,000, applicants shall furnish an executed copy of the lobbying certification (approved by the Office of Management and Budget under control number 0348-0046). Applicants must sign and return the certification with their application.

Applicants must make the appropriate certification of their compliance with the Drug-Free Workplace Act of 1988. By signing and submitting the application, applicants are providing the certification and need not mail back the certification with the application.

Applicants must make the appropriate certification that they are not presently debarred, suspended or otherwise ineligible for award. By signing and submitting the application, applicants are providing the certification and need not mail back the certification with the application.

#### B. Application Limits

The application should be double-spaced and single-sided on 8 1/2" x 11" plain white paper, with 1" margins on all sides. Use only a standard size font no smaller than 12 pitch throughout the application. All pages of the application (including appendices, resumes, charts, references/footnotes, tables, maps and exhibits) must be sequentially numbered, beginning on the first page after the budget justification, the principal investigator contact information and the Table of Contents. Although there is no limitation regarding number of pages, applicants are urged to be concise and limit

applications to no more than 30 pages. Applicants are requested not to send pamphlets, brochures, or other printed material along with their applications as these pose copying difficulties. These materials, if submitted, will not be included in the review process. In addition, applicants must not submit any additional letters of endorsement beyond any that may be required. Applicants are encouraged to submit curriculum vitae in a biographical format.

#### C. Checklist for a Complete Application

The checklist below is for your use to ensure that the application package has been properly prepared.

- One original, signed and dated application plus two copies.
- Attachments/Appendices, when included, should be used only to provide supporting documentation such as resumes, and letters of agreement/support.
  - (1) Application for Federal Assistance (SF-424, Rev. 7-97)
  - (2) Budget information-non-construction programs (SF424A&B)
  - (3) Budget Justification, including subcontract agency budgets
  - (4) Application Narrative and Appendices
  - (5) Assurances Non-Construction Program
  - (6) Certification Regarding Lobbying
  - (7) If appropriate, a completed SPOC certification with the date of SPOC contact entered in line 16, page 1 of the SF-424, REV. 7-97

#### D. Application Submission

**Deadline.** The closing (deadline) time and date for receipt of applications is 4:30 p.m. (Eastern Time Zone) on the date indicated under CLOSING TIME AND DATE at the beginning of this announcement. Applications received after 4:30 p.m. will be classified as late.

Mailed applications shall be considered as meeting an announced deadline if they are received on or before the deadline time and date at the: OCS Operations Center, 1815 North Fort Myer Drive, Suite 300, Arlington, Virginia 22202 and labeled: Application for Compassion Capital Fund Demonstration Program. 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 handcarried by applicants, applicant couriers, or 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. at: OCS Operations Center, 1815 North Fort Myer Drive, Suite 300, Arlington, Virginia 22202 and labeled: Application for Compassion Capital Fund Demonstration Program. Applicants are cautioned that express/overnight mail services may not always deliver as agreed.

ACF cannot accommodate transmission of applications by fax or through other electronic media. Therefore, applications transmitted to ACF electronically will not be accepted regardless of date or time of submission and time of receipt.

*Late applications.* Applications that 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 an application deadline for applicants affected by acts of God such as floods and hurricanes, when there is widespread disruption of the mail service, or for other disruptions of services, such as a prolonged blackout, that affect the public at large. A determination to waive or extend deadline requirements rest with ACF's Chief Grants Management Officer.

*E. Paperwork Reduction Act of 1995*

Under the Paperwork Reduction Act of 1995, Public Law 104-13 the Department is required to submit to OMB for review and approval any reporting and record keeping requirements in regulations including program announcements. All information collections within this

program announcement are approved under the following current valid OMB control numbers 0348-0043, 0348-0044, 034800040, 0348-0046, 0925-0418 and 0970-0139.

Public reporting burden for this collection 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.

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.

Dated: May 31, 2002.

**Wade F. Horn,**

*Assistant Secretary for Children and Families.*  
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