

Agreements to State and Local Governments.

(h) 7 CFR part 3017, as amended—Government-wide Debarment and Suspension (Non-procurement); Government-wide Requirements for Drug-Free Workplace (Grants), implementing Executive Order 12549 on debarment and suspension and the Drug-Free Workplace Act of 1988 (41 U.S.C. 701).

(i) 7 CFR part 3018—Restrictions on Lobbying, prohibiting the use of appropriated funds to influence Congress or a Federal agency in connection with the making of any Federal grant and other Federal contracting and financial transactions.

(j) 7 CFR part 3019—USDA implementation of OMB Circular A-110, Uniform Administrative Requirements for Grants and Agreements With Institutions of Higher Education, Hospitals, and Other Nonprofit Organizations.

(k) 7 CFR part 3052—USDA implementation of OMB Circular No. A-133 regarding audits of institutions of higher education and other nonprofit institutions.

(l) 29 U.S.C. 794, section 504—Rehabilitation Act of 1973, and 7 CFR part 15B (USDA implementation of statute), prohibiting discrimination based upon physical or mental handicap in Federally assisted programs.

#### § 1775.9 OMB control number.

The information collection requirements contained in this part have been approved by the Office of Management and Budget and have been assigned OMB control number 0572-0112.

### Subpart B—Grant Application Processing

#### § 1775.10 Applications.

(a) *Filing period.* Applications may be filed on or after October 1 and must be received by close of business or post-marked by midnight December 31. If an application is received either before October 1 or after December 31, the receiving office will return it to the applicant.

(b) *Where to file.* (1) An applicant will apply to the appropriate State Office of Rural Development if the project will serve a single state.

(2) An applicant will apply to the National Office if the project will serve multiple states. The application must be submitted to the following address: Assistant Administrator, Water and Environmental Programs, Rural Utilities Service, Washington, DC 20250-1570.

(3) Electronic applications will be accepted prior to the filing deadline through the Federal Government's eGrants Web site (Grants.gov) at <http://www.grants.gov>. Applicants should refer to instructions found on the Grants.gov Web site to submit an electronic application. A DUNS number and a Central Contractor Registry (CCR) registration is required prior to electronic submission. The sign-up procedures, required by Grants.gov, may take several business days to complete.

(c) *Application requirements.* To file an application, an organization must provide their DUNS number. An organization may obtain a DUNS number from Dun and Bradstreet by calling (1-866-705-5711). To file a complete application, the following information should be submitted:

(1) Standard Form 424, "Application for Federal Assistance (For Non-Construction)."

(2) Standard Form 424A & B, "Budget Information—Non-Construction Programs."

(3) Form AD-1047, "Certification Regarding Debarment, Suspension, and Other Responsibility Matters—Primary Covered Transaction."

(4) Form AD 1049, "Certification Regarding Drug-Free Workplace Requirements (Grants) Alternative I—For Grantees Other Than Individuals."

(5) Form AD 1048, "Certification Regarding Debarment."

(6) Attachment regarding assistance provided to Rural Development Employees as required by RD Instruction 1900-D.

(7) Form RD 400-4, "Assurance Agreement."

(8) Form RD 400-1, "Equal Opportunity Agreement."

(9) Indirect Cost Rate Agreement (if applicable, applicant must include approved cost agreement rate schedule).

(10) Statement of Compliance for Title VI of the Civil Rights Act of 1964.

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(11) SF LLL, “Disclosure of Lobbying Activities” (include only if grant is over \$100,000).

(12) Certification regarding Forest Service grant.

(d) *Supporting information.* All applications shall be accompanied by:

(1) Evidence of applicant’s legal existence and authority in the form of:

(i) Certified copies of current authorizing and organizational documents for new applicants or former grantees where changes were made since the last legal opinion was obtained in conjunction with receipt of an RUS grant, or, certification that no changes have been made in authorizing or organizing documents since receipt of last RUS grant by applicant.

(ii) Current annual corporation report, Certificate of Good Standing, or statement they are not required.

(iii) For public nonprofits, Certificate of Continued Status from local attorney (if applicable).

(iv) Certified list of directors/officers with their respective terms.

(2) Evidence of tax exempt status from the Internal Revenue Service (IRS), if applicable.

(3) Narrative of applicant’s experience in providing services similar to those proposed. Provide brief description of successfully completed projects including the need that was identified and objectives accomplished.

(4) Latest financial information to show the applicant’s financial capacity to carry out the proposed work. A current audit report is preferred, however applicants can submit a balance sheet and an income statement in lieu of an audit report.

(5) List of proposed services to be provided.

(6) Estimated breakdown of costs (direct and indirect) including those to be funded by grantee as well as other sources. Sufficient detail should be provided to permit the approval official to determine reasonableness, applicability, and allowability.

(7) Evidence that a Financial Management System is in place or proposed.

(8) Documentation on each of the priority ranking criteria listed in §1775.11 as follows:

(i) List of the associations to be served and the State or States where assistance will be provided. Identify associations by name, or other characteristics such as size, income, location, and provide MHI and population.

(ii) Description of the type of technical assistance and/or training to be provided and the tasks to be contracted.

(iii) Description of how the project will be evaluated and provide clearly stated goals and the method proposed to measure the results that will be obtained.

(iv) Documentation of need for proposed service. Provide detailed explanation of how the proposed services differ from other similar services being provided in the same area.

(v) Personnel on staff or to be contracted to provide the service and their experience with similar projects.

(vi) Statement indicating the number of months it takes to complete the project or service.

(vii) Documentation on cost effectiveness of project. Provide the cost per association to be served or proposed cost of personnel to provide assistance.

(viii) Other factors for consideration, such as emergency situation, training need identified, health or safety problems, geographic distribution, Rural Development Office recommendations, etc.

### § 1775.11 Priority.

The application and supporting information will be used to determine the applicant’s priority for available funds. All applications will be reviewed and scored for funding priority in accordance with RUS Guide 1775-2. Points will be given only for factors that are well documented in the application package and, in the opinion of the RUS, meet the objective outlined under each factor. The following is a listing of the criteria that will be used to select the applications that meet the objectives of the technical assistance program.

(a) Projects proposing to give priority for available services to rural communities having a population less than 5,500 and/or below 2,500.

(b) Projects proposing to give priority for available services to low income communities.

(c) Projects that will provide assistance in a multi-State area.

(d) Points will be awarded for work plans that clearly describe the goals and objectives of the project, how they will be accomplished in targeted communities, and what measurement of accomplishment will be used.

(e) Projects containing needs assessment (i.e. actual issue or problem being addressed) clearly defined and supported by data.

(f) Projects containing evaluation methods that are specific to the activity, clearly defined, measurable, and with projected outcomes.

(g) Applicants proposing to use at least 75 percent of the total grant amount for their own staff, or the staff of an affiliated organization to provide services for a project instead of contracting with an outside organization for the services.

(h) Projects providing technical assistance/training that accomplish the objective within a 12-month or less timeframe.

(i) Projects primarily providing "hands on" technical assistance and training, i.e., on-site assistance as opposed to preparation and distribution of printed material, to communities with existing water and waste systems which are experiencing operation and maintenance or management problems.

(j) Cash or in kind support of project from non-federal sources.

(k) Ability to demonstrate sustainability of project without Federal financial support.

**§ 1775.12 Grant processing.**

(a) *Single State applications.* (1) Grant applications submitted at the State level will receive a letter acknowledging receipt and confirmation that all information required for a full application was included in the packet. The State will notify the applicant of missing information. The applicant will have 14 business days to respond.

(2) The State Office will review applications for eligibility. Those applicants that are deemed ineligible will be notified. Applicants deemed eligible will be

forwarded to the National Office for funding consideration.

(3) The National Office will review all applications received from State Offices. Applications will compete on a priority basis and will be scored and ranked. The applications receiving the highest scores and subject to the availability of funds will be selected for final processing. The National Office will send these applications back to the State Office for processing. The State Office will notify the applicant(s) that they have been selected for funding.

(4) Applicants not selected for funding due to low priority rating shall be notified by the State Office.

(b) *National and multi-State applications.* (1) National and multi-State applications submitted to the National Office will receive a letter acknowledging receipt and confirmation that all information required for a full application was included in the packet. The National Office shall notify the applicant of missing information. The applicant will have 14 business days to respond.

(2) The National Office will review applications for eligibility. Those applications that are deemed ineligible will be notified. Applications deemed eligible will be reviewed and given a rating score. Applications receiving the highest scores will be grouped with those received from State Offices for funding consideration.

(3) The National Office will review all applications received. Applications will compete on a priority basis and will be scored and ranked. The applications receiving the highest scores and subject to the availability of funds will be notified by the National Office that they have been selected for funding. The National Office shall conduct final processing of multi-State and national applications.

(4) Multi-State and National applicants not selected for funding due to low priority rating will be notified by the National Office.

(c) *Low priority applications.* Applications that cannot be funded in the fiscal year received will not be retained for consideration in the following fiscal year and will be handled as outlined in paragraph (a)(4) or (b)(4) of this section.

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### § 1775.13 Grant agreement.

Applicants selected for funding will complete a grant agreement, RUS Guide 1775-1, which outlines the terms and conditions of the grant award.

### §§ 1775.14-1775.17 [Reserved]

### § 1775.18 Fund disbursement.

Grantees will be reimbursed as follows:

(a) SF-270, "Request for Advance or Reimbursement," will be completed by the grantee and submitted to either the State or National Office not more frequently than monthly.

(b) Upon receipt of a properly completed SF-270, the funds will be requested through the field office terminal system. Ordinarily, payment will be made within 30 days after receipt of a proper request for reimbursement.

(c) Grantees are encouraged to use women- and minority-owned banks (a bank which is owned at least 50 percent by women or minority group members) for the deposit and disbursement of funds.

### § 1775.19 Grant cancellation or major changes.

Any change in the scope of the project, budget adjustments of more than 10 percent of the total budget, or any other significant change in the project must be reported to and approved by the approval official by written amendment to RUS Guide 1775-1. Any change not approved may be cause for termination of the grant.

### § 1775.20 Reporting.

(a) Grantees shall constantly monitor performance to ensure that time schedules are being met, projected work by time periods is being accomplished, and other performance objectives are being achieved.

(b) SF-269, "Financial Status Report (short form)," and a project performance activity report will be required of all grantees on a quarterly basis, due 30 days after the end of each calendar quarter.

(c) A final project performance report will be required with the last SF-269 due 90 days after the end of the last quarter in which the project is com-

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pleted. The final report may serve as the last quarterly report.

(d) All multi-State grantees are to submit an original of each report to the National Office. Grantees serving only one State are to submit an original of each report to the State Office. The project performance reports should detail, preferably in a narrative format, activities that have transpired for the specific time period and shall include, but not be limited to, the following:

(1) A comparison of actual accomplishments to the objectives established for that period (i.e. number of meetings held, number of people contacted, results of activity);

(2) Analysis of challenges or setbacks that occurred during the grant period;

(3) Copies of fliers, news releases, news articles, announcements and other information used to promote services or projects;

(4) Problems, delays, or adverse conditions which will affect attainment of overall project objectives, prevent meeting time schedules or objectives, or preclude the attainment of particular project work elements during established time periods. This disclosure shall be accompanied by a statement of the action taken or planned to resolve the situation; and

(5) Activities planned for the next reporting period.

### § 1775.21 Audit or financial statements.

The grantee will provide an audit report or financial statements as follows:

(a) Grantees expending \$500,000 or more Federal funds per fiscal year will submit an audit conducted in accordance with OMB Circular A-133. The audit will be submitted within 9 months after the grantee's fiscal year. Additional audits may be required if the project period covers more than one fiscal year.

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

## Rural Utilities Service, USDA

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### § 1775.22 [Reserved]

### § 1775.23 Grant servicing.

Grants will be serviced in accordance with RUS Guide 1775-1 and subpart E of part 1951 of this title. When grants are terminated for cause, 7 CFR part 11 will be followed.

### § 1775.24 Delegation of authority.

The authority under this part is re-delegated to the Assistant Administrator, Water and Environmental Programs, except for the discretionary authority contained in §§1775.34 and 1775.68. The Assistant Administrator, Water and Environmental Programs may re-delegate the authority in this part.

### §§ 1775.25–1775.30 [Reserved]

## Subpart C—Technical Assistance and Training Grants

### § 1775.31 Authorization.

This subpart sets forth additional policies and procedures for making Technical Assistance and Training (TAT) grants authorized under Section 306(a)(14)(A) of the Consolidated Farm and Rural Development Act (CONACT) (7 U.S.C. 1921 et seq., as amended).

### § 1775.32 [Reserved]

### § 1775.33 Objectives.

The objectives of the program are to:

(a) Identify and evaluate solutions to water and waste problems in rural areas.

(b) Assist applicants in preparing applications for water and waste disposal loans/grants.

(c) Assist associations in improving operation and maintenance of existing water and waste facilities in rural areas.

### § 1775.34 Source of funds.

Grants will be made from not less than 1 percent or not more than 3 percent of any appropriations for grants under Section 306(a)(2) of the CONACT. Funds not obligated by September 1 of each fiscal year will be used for water and waste disposal grants made in accordance with part 1780 of this chapter.

### § 1775.35 Eligibility.

(a) Entities eligible for grants must be private nonprofit organizations with tax exempt status, designated by the Internal Revenue Service. A nonprofit organization is defined as any corporation, trust, association, cooperative, or other organization that:

(1) Is operated primarily for scientific, education, service, charitable, or similar purposes in the public interest.

(2) Is not organized primarily for profit.

(3) Uses its net proceeds to maintain, improve, and/or expand its operations.

(b) Entities must be legally established and located within a state as defined in §1775.2.

(c) Organizations must be incorporated by December 31 of the year the application period occurs to be eligible for funds.

(d) Private businesses, Federal agencies, public bodies, and individuals are ineligible for these grants.

(e) Applicants must also have the proven ability, background, experience (as evidenced by the organization's satisfactory completion of project(s) similar to those proposed), legal authority, and actual capacity to provide technical assistance and/or training on a regional basis to associations as provided in §1775.33. To meet the requirement of actual capacity, an applicant must either:

(1) Have the necessary resources to provide technical assistance and/or training to associations in rural areas through its staff, or

(2) Be assisted by an affiliate or member organization which has such background and experience and which agrees, in writing, that it will provide the assistance, or

(3) Contract with a nonaffiliated organization for not more than 49 percent of the grant to provide the proposed assistance.

### § 1775.36 Purpose.

Grants may be made to organizations as defined in §1775.35 to enable such organizations to assist associations to:

(a) Identify and evaluate solutions to water problems of associations in rural areas relating to source, storage, treatment, and/or distribution.