

**DEPARTMENT OF HOUSING
AND URBAN DEVELOPMENT**

**TECHNOLOGY FOR INCREASED
RESIDENT SELF-SUFFICIENCY**

**PUBLIC HOUSING NEIGHBORHOOD
NETWORKS**

Public Housing Neighborhood Networks Program

Overview Information

A. *Federal Agency Name:* Department of Housing and Urban Development, Office of Public and Indian Housing.

B. *Funding Opportunity Title:* Public Housing Neighborhood Networks program.

C. *Announcement Type:* Initial announcement.

D. *Funding Opportunity Number:* The Federal Register number for this NOFA is: FR-5030-N-33. The OMB approval number for this program is 2577-0229.

E. *Catalog of Federal Domestic Assistance (CFDA) Number(s):* 14.875.

F. *Dates:* The application deadline date is June 23, 2006.

G. Optional, Additional Overview Content Information:

1. *Purpose of Program:* The purpose of the Public Housing Neighborhood Networks (NN) program is to provide grants to public housing authorities (PHAs) to: (a) Update and expand existing NN/community technology centers; or (b) establish new NN centers. These centers offer comprehensive services designed to help public housing residents achieve long-term economic self-sufficiency. This program is authorized under § 9(d)(1)(E), § 9(e)(1)(K), § 9(h)(8), and § 24(d)(1)(G).

2. *Funding Available:* The Department plans to award approximately

\$7,500,000 under the Neighborhood Networks program in Fiscal Year 2006.

3. *Award Amounts:* Awards will range from \$100,000 to \$550,000.

4. *Eligible Applicants:* Eligible applicants are PHAs only.

Tribes and tribally designated housing entities (TDHEs), nonprofit organizations, and resident associations are not eligible to apply for funding under the Public Housing Neighborhood Networks program.

5. *Cost Sharing/Match Requirement:* PHAs are required to match at least 25 percent of the requested grant amount.

6. *Grant term.* The grant term is three years from the execution date of the grant agreement.

Grant program	Total funding	Eligible applicants	Maximum grant amount
Neighborhood Networks	\$7.5 Million	PHAs—existing centers	\$100,000 for PHAs with 1–780 units; \$150,000 for PHAs with 781–2,500 units; \$200,000 for PHAs with 2,501–7,300 units; \$250,000 for PHAs with 7,301 units or more.
		PHAs—new centers	\$250,000 for PHAs with 1–780 units; \$350,000 for PHAs with 781–2,500 units; \$450,000 for PHAs with 2,501–7,300 units; \$550,000 for PHAs with 7,301 units or more.

Full Text of Announcement

I. Funding Opportunity Description

A. Definition of Terms

1. *Contract Administrator* is a grant administrator or financial management agent that oversees the implementation of the grant and/or the financial aspects of the grant.

2. *An existing computer center* is: (1) A computer lab, or technology center owned and operated by a PHA which serves residents of public housing and has not received prior NN funding and therefore is not officially designated a HUD Public and Indian Housing (PIH) NN center; (2) a computer lab designated as a HUD PIH NN center, which seeks to expand its services; or (3) a computer lab which needs funding under this program to become operational and serve residents of public housing.

3. *A new NN center* is one that will be established (i.e., there is no infrastructure, space, or equipment currently in use for this purpose) with NN grant funds. **Note:** An applicant previously funded under Neighborhood Networks may apply under the “New Computer Center” category only if it will develop a new center in a development which cannot be served by the applicant’s existing NN center(s).

4. *Past Performance* is a threshold requirement. Using Rating Factor 1, HUD’s field offices will evaluate applicants for past performance to determine whether an applicant has the capacity to manage the grant it is applying for. Field offices will evaluate the past performance of contract administrators for applicants that required one.

5. *Person with disabilities* means a person who:

- a. Has a condition defined as a disability in section 223 of the Social Security Act;
- b. Has a developmental disability as defined in section 102 of the Developmental Disabilities Assistance Bill of Rights Act; or
- c. Is determined to have a physical, mental, or emotional impairment which:
 - (1) Is expected to be of long-continued and indefinite duration;
 - (2) Substantially impedes his or her ability to live independently; and
 - (3) Is of such a nature that such ability could be improved by more suitable housing conditions.

The term “person with disabilities” includes persons who have acquired immunodeficiency syndrome (HIV/AIDS) or any conditions arising from the etiologic agent for AIDS. In addition, no individual shall be considered a person with disabilities solely based on drug or alcohol dependence.

The definition provided above for persons with disabilities is the proper definition for determining program qualifications. However, the definition of a person with disabilities contained in section 504 of the Rehabilitation Act of 1973 and its implementing regulations must be used for purposes of providing reasonable accommodations and for program accessibility for persons with disabilities.

6. *Project Coordinator* is responsible for coordinating the grantee’s approved activities to ensure that grant goals and objectives are met. A qualified Project Coordinator is someone with at least two years of experience working on supportive services designed specifically for underserved populations. The Project Coordinator and grantee are both responsible for ensuring that all federal requirements are followed.

7. *Secretary* means the Secretary of Housing and Urban Development.

8. *Senior person* means a person who is at least 62 years of age.

B. Program Description

1. The Public Housing Neighborhood Networks program provides grants to PHAs to (1) update and expand existing NN/community technology centers; or (2) establish new NN centers.

2. NN centers must be located within a public housing development, on PHA

land, or within reasonable walking distance to the PHA development(s).

3. HUD is looking for applications that implement comprehensive programs within the three-year grant term, which will result in improved economic self-sufficiency for public housing residents. HUD is looking for proposals that involve partnerships with organizations that will supplement and enhance the services offered to residents.

4. NN centers provide computer and Internet access to public housing residents and offer a full range of computer and job training services. Applicants should submit proposals that will incorporate computer and Internet use to: Provide job training for youths, adults and seniors; expand educational opportunities for residents; promote economic self-sufficiency and help residents transition from welfare to work; assist children with homework; provide guidance to high school students (or other interested residents) for post-secondary education (college or trade schools); and provide other services deemed necessary from resident input.

5. All applicants must complete a business plan (see sample HUD-52766 provided in the Appendix) covering the three-year grant term. The applicant's business plan and narrative must indicate how the center(s) will become self-sustaining after the grant term expires. Proposed grant activities should build on the foundation created by previous NN grants such as Resident Opportunities and Self-Sufficiency (ROSS) grants, or other federal, state and local self-sufficiency efforts.

C. Eligible Activities

1. *Hiring a Qualified Project Coordinator to Administer the Grant Program.* A qualified Project Coordinator must have project management and information technology experience. The Project Coordinator should be hired for the entire term of your grant. The Project Coordinator is responsible for ensuring that the center achieves its proposed goals and objectives. In addition, the Project Coordinator is responsible for the following activities:

- a. Marketing the program to residents;
- b. Assessing residents' needs, interests, skills, and job-readiness;
- c. Assessing residents' needs for supportive services, e.g., childcare, transportation;
- d. Designing and coordinating grant activities based on residents' needs and interests; and
- e. Monitoring the progress of program participants and evaluating the overall

success of the program. For more information on how to measure performance, please see Rating Factor 5 in the "Application Review Information" section of this NOFA.

2. *Literacy training and GED preparation;*

3. *Computer training*, from basic to advanced;

4. *College preparatory* courses and information;

5. *Job Training and Activities Leading to Self-Sufficiency.* Job training for very low and low-income persons is a requirement under Section 3 of the Housing and Urban Development Act of 1968. Some examples of the job training skills encouraged are: oral and written communication skills; work ethic; interpersonal and teamwork skills; resume writing; interviewing techniques, creating job training and placement programs with local employers and employment agencies; tax preparation and submission assistance, including Earned Income Tax credits; other activities moving toward housing and economic self-sufficiency that utilize the computer center, such as financial literacy, credit repair, and homeownership training; and post-employment follow-up to assist residents who are new to the workplace.

6. *Physical improvements.* Physical improvements must relate to providing space for a Neighborhood Networks center. Renovation, conversion, wiring, and repair costs may be essential elements of physical improvements. In addition, architectural, engineering, and related professional services required to prepare plans or drawings, write-ups, specifications or inspections may also be part of the cost of implementing physical improvements.

a. Creating an accessible space for persons with disabilities is an eligible use of funds. Refer to Office of Management and Budget (OMB) Circular A-87, "Cost Principles for State, Local and Indian Tribal Governments."

b. The renovation, conversion, or joining of vacant units in a PHA development to create space for the equipment and activities of a NN center (computers, printers, and office space) are eligible activities for physical improvement.

c. The renovation or conversion of existing common areas in a PHA development to accommodate a NN center is eligible.

d. If renovation, conversion, or repair is done off-site, the PHA must provide documentation with its application that it has control of the proposed property and will continue to have control for at

least five years. Control can be demonstrated through a lease agreement, ownership documentation, or other appropriate documentation.

7. *Maintenance and insurance costs.* Includes installing and maintaining the hardware and software as well as insurance coverage for the space and equipment.

8. *Purchase of computers, printers, software, other peripheral equipment, and furniture for the NN Center* are eligible expenses. Section 3 of the Housing and Urban Development Act requires funding recipients to provide business opportunities be directed to very low and low income persons. In addition, costs of computer hardware and software for the needs of persons with disabilities are eligible costs for this funding category;

9. *Distance Learning Equipment.* Distance learning equipment (including the costs for video casting and purchase/lease/rental of distance learning equipment) is an eligible use of funds. The proposal must indicate that the center will be working in a virtual setting with a college, university or other educational organization. Distance learning equipment can also be used to link one or more centers so that residents can benefit from courses being offered at only one site.

10. *Security and related costs.* Includes space and minor refitting, locks, and other equipment for safeguarding the center and other longer-term security measures, as needed.

11. *Hiring Residents.* Grantees may hire residents to help with the implementation of this grant program.

12. *Administrative Costs.* See Section IV.E for information on this topic.

13. *Staff Training and Long Distance Travel.* Funds may be used for applicant staff or subcontractors' training in program-relevant areas. This activity should not exceed \$5,000. See Section IV.E for information on this topic.

D. Regulations Governing the Neighborhood Networks Grant

The Neighborhood Networks program is governed by regulations in 24 CFR parts 905 and 968.

II. Award Information

A. Total Funding

The Department expects to award approximately a total of \$7,500,000 under the Neighborhood Networks program in Fiscal Year 2006. Awards will be made as follows:

1. Forty percent of available funding for Neighborhood Networks will be used for updating and expanding existing

computer technology centers. The other 60 percent will provide grants to establish and operate new Neighborhood Networks centers.

2. PHAs must use the number of occupied public housing units as of September 30, 2005 per their budget. This is required so the PHA can determine the maximum grant amount they are eligible for in accordance with the categories listed below. PHAs should clearly indicate on the Fact Sheet (HUD-52751) the number of units under management.

a. Funding Levels For Existing Centers:

Number of conventional units	Maximum funding
1-780 units	\$100,000
781-2,500 units	150,000
2,501-7,300 units	200,000
7,301 or more units	250,000

b. Funding Levels For New Centers:

Number of conventional units	Maximum funding
1-780 units	\$250,000
781-2,500 units	350,000
2,501-7,300 units	450,000
7,301 or more units	550,000

B. Grant Period

Three years. The grant period shall begin the day the grant agreement and the form HUD-1044, "Assistance Award/Amendment" are signed by the grantee and HUD.

C. Grant Extensions

Requests to extend the grant term must be submitted in writing by the grantee to the local HUD field office. Such requests must be done prior to grant termination and with at least 30 days notice to give the field office a reasonable amount of time to fully evaluate the request. Requests must explain why the extension is necessary, what work remains to be completed, and what work and progress was accomplished to date. Extensions may be granted one time only once by the field office or area ONAP for a period not to exceed six months and may be granted for a further six months by the HUD Headquarters Program Office at the request of the Field Office or area ONAP.

D. Type of Award

Grant agreement.

E. Subcontracting

Subcontracting is permitted. Grantees must follow the HUD federal

procurement regulations found at 24 CFR 85.36.

III. Eligibility Information

A. Eligible Applicants

Public Housing Authorities are eligible to apply for this funding category. Tribes/TDHEs, nonprofit organizations, and resident associations are not eligible to apply for this funding category.

B. Cost Sharing or Matching

All applicants are required to obtain a 25 percent cash or in-kind match. The match is a threshold requirement. Applicants who do not demonstrate the minimum 25 percent match will fail the threshold requirement and will not receive further consideration for funding. Match proposed to be used for ineligible activities will not be accepted. Please see the section below on threshold requirements for more information on what is required for the match.

C. Other

1. Threshold Requirements

Applicants must respond to each threshold requirement clearly and thoroughly by following the instructions below. If your application fails one threshold requirement (regardless of the type of threshold) it will be considered a failed application. All applicants will be subject to all thresholds listed in the General Section.

a. Match. All applicants are required to commit a 25 percent match in cash or in-kind donations that are defined in this paragraph. Joint applicants must together have at least a 25 percent match. Applicants who do not demonstrate the minimum 25 percent match will fail this threshold requirement and will not receive further consideration for funding. If you are also applying for funding under the ROSS grant program, you must use different sources of match donations for each grant application and you must indicate which ROSS grant(s) you are applying for by attaching a narrative to your application. This narrative must state the sources and amounts of each of your match contributions for this application as well as any other HUD grant program to which you are applying.

Match donations must be firmly committed. Firmly committed means that the amount of match resources and their dedication to Neighborhood Networks-funded activities must be explicit, in writing and signed by a person authorized to make the commitment. Letters of commitment

and memoranda of understanding (MOU) must be on organization letterhead, and signed by a person authorized to make the commitment. The letters of commitment/MOUs must indicate the total dollar value of the commitment, be dated between the publication date of this NOFA and the application deadline published in this NOFA or an amended deadline, and indicate how the commitment will relate to the proposed program. If the commitment is in-kind, the letters should explain exactly what services or material will be provided. The commitment must be available at time of award. Applicants proposing to use their own, non-HUD grant funds to meet the match requirement, must also include a letter of commitment indicating the type of match (cash or in-kind) and how the match will be used. Grant awards shall be contingent upon letters of commitment being submitted with your application. Match proposed to be used for ineligible activities will not be accepted. Please see the General Section for instructions for submitting the required letters with your electronic application.

(1) The value of volunteer time and services shall be computed using the professional rate for the local area or the national minimum wage rate of \$5.15 per hour (**Note:** applicants may not count their staff time towards the match.) If grantees propose to use volunteers for development or operations work that would otherwise be subject to payment of Davis-Bacon or HUD-determined prevailing wage rates (including construction, rehabilitation or maintenance) their services must be computed using the appropriate methodology. Additional information on these wage rates can be found at <http://www.hud.gov/>, by contacting HUD Field Office Labor Relations staff, or from the PHA. Such volunteers must also meet the requirements of section 12(b) of the United States Housing Act of 1937 and 24 CFR part 70;

(2) In order for HUD to determine the value of any donated material, equipment, staff time, building, or lease, your application must provide a letter from the organization making the donation. The letter must state the value of the contribution.

(3) Other resources/services that can be committed include: In-kind services provided to the applicant; funds from federal sources that are allowed by statute, for example Community Development Block Grant (CDBG) funds; funds from any state or local government sources; and funds from private contributions. Applicants may also partner with other program funding

recipients to coordinate the use of resources in the target area.

b. *Past Performance.* HUD's field offices will evaluate data provided by applicants as well as their past performance to determine whether applicants have the capacity to manage the grants they are applying for. Field offices will evaluate the contract administrators' past performance for applicants required to have a contract administrator. Using Rating Factor 1, the field office will evaluate applicants' past performance. Applicants should carefully review Rating Factor 1 to ensure their applications address all of the criteria requested. If applicants fail to address what is requested in Rating Factor 1, their application will not receive further consideration.

c. *Contract Administrator Partnership Agreement.* PHAs that are troubled at time of application are required to submit a signed Contract Administrator Partnership Agreement. The agreement must be for the entire grant term. Grant awards must have a signed Contract Administrator Partnership Agreement included in the application. Applicants required to have a Contract Administrator Partnership Agreement that fail to submit one will fail this threshold requirement and will not receive further consideration for funding.

Troubled PHAs are not eligible to be contract administrators. Grant writers who assist in the preparation of their Neighborhood Networks applications are also ineligible to be contract administrators. Please see the General Section Definitions Section, and Program Requirements Section for instructions for more information.

d. *Minimum Score for All Fundable Applications.* Applications that pass all threshold requirements and go through the ranking and rating process, must receive a minimum score of 75 in order to be considered for funding.

e. *The Dun and Bradstreet Universal Numbering System (DUNS) Number Requirement.* Refer to the General Section for information regarding the DUNS requirement. You will need to have a DUNS number to receive an award from HUD.

f. *Off-site Physical Improvements.* Physical improvements that relate to providing space for a Neighborhood Networks center are eligible activities, including for off-site centers. If renovation, conversion or repair is done off-site, the PHA must describe this circumstance in their narrative and provide documentation with its application that it has control of the proposed property and will continue to have control for at least five years.

Control can be demonstrated through a lease agreement, ownership documentation or other appropriate documentation.

2. Program Requirements

a. *Program Evaluations.* A portion of grant funds should be reserved to ensure that evaluations can be completed for all participants who received training through this program.

b. *Physical Improvements.* All renovations must meet appropriate accessibility requirements, including the requirements of Section 504 of the Rehabilitation Act of 1973 at 24 CFR part 8, Architectural Barriers Act at 24 CFR part 40, and the Americans with Disabilities Act. Design, construction, or alteration of buildings in conformance with the Uniform Federal Accessibility Standards (UFAS) shall be deemed to comply with the requirements of 24 CFR 8.21, 8.22, 8.23, and 8.25 with respect to those buildings.

c. *Contract Administrator.* The contract administrator must assure that the financial management system and procurement procedures that will be implemented during the grant term comply with 24 CFR part 85. CAs are expressly forbidden from accessing HUD's Line of Credit Control System (LOCCS) and submitting vouchers on behalf of grantees. Contract administrators must assist PHAs in meeting HUD's reporting requirements, see Section VI.C. "Reporting" for more information. Contract administrators may be: Local housing agencies; community-based organizations such as community development corporations (CDCs), local faith-based institutions; nonprofit organizations; state/regional associations and organizations.

Troubled PHAs are not eligible to be contract administrators. Grant writers who assist applicants in preparing their Neighborhood Networks applications are also ineligible to be contract administrators. Organizations that the applicant proposes to use as the contract administrator must not violate the conflict of interest standards as defined in 24 CFR part 84 and 24 CFR part 85.

c. *Other Requirements Applicable to All Programs.* All applicants, lead and non-lead, should refer to "Other Requirements and Procedures Applicable to All Programs" of the General Section for other requirements to which they may be subject.

3. Number of Applications Permitted

a. *General.* Applicants may submit only one application for a NN grant.

b. *Joint applications.* Two or more applicants may join together to submit a joint application for proposed grant

activities. Joint applications must designate a lead applicant. Only the lead applicant is subject to the threshold requirements outlined in this NOFA. However, both lead and non-lead applicants are subject to threshold requirements outlined in the General Section. The lead applicant must be registered with Grants.gov and submit the application using the Grants.gov portal. Applicants who submit joint applications cannot submit separate applications as sole applicants under this NOFA. **Note:** The lead applicant will determine the maximum funding amount the applicants are eligible to receive.

4. Eligible Participants

All program participants must be residents of public housing or residents of other housing assisted with funding made available under the 2006 Appropriations Act (e.g., residents receiving tenant-based or project-based voucher assistance, as well as elderly and disabled residents).

IV. Application and Submission Information

A. Address To Request an Application Package

Copies of this published NOFAs and application forms will be posted on www.Grants.gov/Apply. If you have difficulty accessing the information you may call the Grants.gov help desk toll free at (800) 515-GRANTS or you may send an e-mail message to Support@Grants.gov.

B. Content and Form of Application Submission

1. Application Preparation

Before preparing an application, applicants should carefully review the program description, program requirements, ineligible activities, threshold requirements contained in this NOFA, and the General Section. Applicants should also review each rating factor found in the "Application Review Information" section before writing a narrative response. Applicants' narratives must be descriptive in order to ensure that every requested item is addressed. Applicants should be sure to include all requested information, according to the instructions found in this NOFA and the General Section. This will help ensure a fair and accurate review of your application.

2. Content of Application

Applicants must write narrative responses to each of the rating factors described in the section below. Their

responses must demonstrate that they have the necessary capacity to successfully manage this grant program. Applicants should ensure that their narratives are written clearly and concisely so that HUD reviewers, who may not be familiar with the Neighborhood Networks program, fully understand the proposal. HUD encourages applicants to carefully review each rating factor, the regulations governing the Neighborhood Networks program, at 24 CFR parts 905 and 968, and the General Section prior to responding to the rating factors.

3. Format of Application

(1) Applications may not exceed 35 narrative pages. Narrative pages must be submitted as separate electronic files, formatted as double-spaced, single-sided documents. Each file should have the pages numbered consecutively. Use Times New Roman font style and font size 12. Supporting documentation, required forms, and certifications will not be counted toward the 35 narrative page limit. Applicants should make every effort to submit only what is necessary in terms of supporting documentation. Please see the General Section for instructions on how to submit supporting documentation with your electronic application.

(2) The following checklist has been provided to guarantee that the applicants submit all of the required forms and information. Electronic application filers should make sure the file names for their narratives reflect the labels in the checklist. Each narrative must be in a separate file with all the files zipped together and sent as an attachment in the application submittal. (**Note:** Only applicants who receive a waiver to submit paper applications, must submit their applications in a three-ring binder, with TABS dividing the sections as indicated below) When submitting electronically, you do not need to submit these in TABS. Copies of the forms may be downloaded with the application package and instructions from www.Grants.gov/Apply or from the following Web site: <http://www.hud.gov/offices/adm/grants/nofa06/snofaforms.cfm>.

TAB 1: Required Forms

1. Acknowledgment of Application Recedsipt (HUD-2993), for paper application submissions only;
2. Application for Federal Assistance (SF-424);
3. SF-424 Supplement—Survey on Ensuring Equal Opportunity for Applicants;
4. Questionnaire for HUD's Initiative on Removal of Regulatory Barriers (HUD-27300);

5. ROSS Fact Sheet (HUD-52751);
6. Grant Application Detailed Budget (HUD-424-CB);
7. Grant Application Detailed Budget Worksheet (HUD-424-CBW);
8. Applicant/Recipient Disclosure/Update Report (HUD-2880);
9. Certification of Consistency with RC/EZ/EC-II Strategic Plan (HUD-2990) if applicable;
10. Certification of Consistency with the Consolidated Plan (HUD-2991) if applicable;
11. Disclosure of Lobbying Activities (HUD-SF-LLL)—if applicable;
12. Disclosure of Lobbying Activities Continuation Sheet (HUD-SF-LLL-A)—if applicable; and
13. You Are Our Client Grant Applicant Survey (HUD-2994-A) (Optional)
14. Facsimile Transmittal (must be used as the cover age to fax third party letters, documents, etc., that cannot be attached to the electronic application) (HUD-96011) HUD will not accept entire applications submitted by facsimile or read a fax that was not transmitted with the HUD 96011 as the cover page.

TAB 2: Threshold Requirements

1. Letters from Partners attesting to match;
2. Letter from Applicant's organization attesting to match (if applicant is contributing to match); and
3. Contract Administrator Partnership Agreement (required for troubled PHAs) (HUD-52755).
4. If applicable, documentation of site control (for 5 years) for off-site physical improvements.

TAB 3: Rating Factor 1

1. Narrative.
2. Chart A: Program Staffing (HUD-52756).
3. Chart B: Applicant/Administrator Track Record (HUD-52757).
4. Resumes/Position Descriptions.

TAB 4: Narrative for Rating Factor 2

- TAB 5: Rating Factor 3
1. Narrative.
2. Business Plan (see sample) (HUD-52766).

TAB 6: Narrative for Rating Factor 4

- TAB 7: Narrative for Rating Factor 5 and NN Program Forms
1. Narrative.
2. Logic Model (HUD-96010).

C. Submission Dates and Times

1. Deadline Dates

Electronic applications must be received and validated by Grants.gov no later than 11:59:59 p.m. eastern time on June 23, 2006. For applicants receiving a waiver to the electronic filing requirement, the approval of the waiver

request will provide submission instructions. Paper applications must be received no later than the deadline date.

2. Proof of Timely Submission

Please see the General Section for this information. Applicants that fail to meet the deadline for application receipt will not receive funding consideration.

D. Intergovernmental Review

Not applicable.

E. Funding Restrictions

1. Reimbursement for Grant Application Costs

Applicants who receive a NN award are prohibited from using these grant funds to reimburse any costs incurred while preparing their applications.

2. Covered Salaries

a. Project Coordinator. The Neighborhood Networks program will fund up to \$65,000 in combined annual salary and fringe benefits for up to a full-time Project Coordinator. Applicants may propose a part-time coordinator at lesser salary. The Project Coordinator's salary and fringe benefits may not exceed 30 percent of the total grant amount. For audit purposes, applicants must have documentation on file demonstrating that the salary paid to the Project Coordinator is comparable to similar professions in their local area.

b. Hiring Residents. Grantees may hire residents to help with the implementation of this grant program. No more than five percent of grant funds can be used for this purpose.

c. NN funds may only be used for the types of salaries described in this section according to the restrictions described herein. NN funds may not be used to pay for salaries of any other kind. NN funds may only be used to pay for salaries of staff that provide direct services to residents. Direct services staff, for purposes of this NOFA, are defined as applicant personnel or subcontractors who, as their primary responsibility, provide services directly to residents that participate in the activities described in this application, e.g., computer skills training.

d. Neighborhood Networks grant funds cannot be used to hire or pay the services of a Contract Administrator.

3. Funding Requests in Excess of Maximum Grant Amount

Applicants that request funding in excess of the maximum grant amount which they are eligible to receive will be given consideration only for the maximum grant for which they are eligible. If awarded, the grantee will work with the Field Office to re-

apportion the grant funds for eligible activities.

4. Administrative Costs

Administrative costs may include, but are not limited to, purchase of office furniture, equipment, supplies, local travel, and utilities. To the maximum extent practicable, when leasing space or purchasing equipment or supplies, business opportunities should be provided to businesses under Section 3 of the Housing and Urban Development Act of 1968. Administrative costs may not be used to pay for salaries.

Administrative costs must not exceed 10 percent of the total grant amount requested from HUD. Administrative costs must adhere to OMB Circular A-87. Please use HUD-424-CBW to itemize your administrative costs. See Section IV.E for information on this topic.

5. Long-Distance Travel

Grantees may not use more than \$5,000 for applicant staff/subcontractor long distance travel activities.

6. Ineligible Activities/Costs

Grant funds may not be used for ineligible activities:

- a. Payment of wages and/or salaries to participants for receiving supportive services and/or training programs;
- b. Purchase, lease, or rental of land;
- c. Purchase, lease, or rental of vehicles;
- d. vehicle maintenance and/or insurance;
- e. Entertainment costs;
- f. Purchasing food;
- g. Salaries and fringe benefits for staff that are not direct services staff. Direct services staff, for purposes of this NOFA, are defined as applicant personnel or subcontractors who, as their primary responsibility, provide services directly to residents that participate in the activities described in this application, e.g. computer skills training;
- h. Stipends;
- i. Scholarships for degree programs;
- j. Cost of application preparation;
- k. Costs which exceed limits

identified in the NOFA for the following: Project Coordinator, resident salaries, physical improvements (see below), long distance travel and administrative expenses; and

l. Any other costs not eligible under section 9(d)(1)(E) of the U.S. Housing Act of 1937.

m. NN funds cannot be used to hire or pay for the services of a Contract Administrator.

7. Physical Improvements

For new centers, expenses for physical improvements may not exceed 20 percent of the total grant amount requested from HUD. For existing centers, expenses for physical improvements may not exceed 10 percent of the total grant amount.

F. Other Submission Requirements

1. All applicants are required to submit their applications electronically via Grants.gov, unless they request and are approved by HUD for a waiver of that requirement. Please refer to the General Section for information on how to submit your application and all attachments electronically via Grants.gov. See the General Section for instructions for requesting a waiver of the electronic application submission requirements.

2. Proof of Timely Submission

Please see the General Section for this information. Applicants that fail to meet the deadline for application receipt will not receive funding consideration.

3. For Waiver Recipients Only

Applicants who have received waivers to submit paper applications (see the General Section for more information) must submit their applications to: HUD Grants Management Center, Mail Stop: ROSS Family and Homeownership, 501 School Street, SW., 8th floor, Washington, DC 20024. Applications must be received by the deadline date.

4. Number of Copies

Only applicants receiving a waiver to the electronic submission requirement may submit a paper copy application. Paper applications must be submitted in triplicate (one original and two identical copies). For all applicants with a waiver, the original and one identical copy must be sent to the Grants Management Center and an identical copy must be sent to your local Field Office in accordance with the submission and timely receipt requirements described in the General Section. All paper applications must be received by the deadline date.

V. Application Review Information

A. Criteria

1. Factors for Award Used To Evaluate and Rate Applications to the Neighborhood Networks Program

The factors for rating and ranking applicants and maximum points for each factor are provided below. The maximum number of points available for this program is 102. This includes

two RC/EZ/EC bonus points. The General Section contains a certification that must be completed in order for the applicant to be considered for RC/EZ/EC-II bonus points. A listing of federally designated RC/EZ/EC-II is available on HUD's Web site at: www.hud.gov/fundsdsavailable. The agency certifying to RC/EZ/EC-II status must be included in the listing on HUD's Web site. Please see the General Section for more details. **Note:** Applicants should carefully review each rating factor before writing a response. Applicants' narratives must be descriptive and detailed in order to ensure every requested item is addressed. Applicants should make sure their narratives thoroughly address the Rating Factors below and include all requested information, according to the instructions found in this NOFA. This will help ensure a fair and accurate application review.

a. Rating Factor 1: Capacity of the Applicant and Relevant Organizational Staff (35 Points)

This factor addresses whether the applicant has the organizational capacity and resources necessary to successfully implement the proposed activities within the grant period. In rating this factor, HUD will consider whether the proposal demonstrates that the applicant will have qualified and experienced staff. HUD will also bear in mind whether or not the proposed staff will be dedicated to administering the program.

(1) Proposed Program Staffing (12 Points).

(a) *Staff Experience* (4 Points). HUD is requesting details about the knowledge and experience of the proposed Project Coordinator, staff, and partners in planning and managing programs. Experience will be judged in terms of recent, relevant and successful experience of proposed staff to undertake program activities. In rating this factor, HUD will consider experience within the last 5 years to be recent; experience pertaining to the specific activities being proposed to be relevant; and experience producing specific accomplishments to be successful. Applicants will receive a greater amount of points if the proposed staff has recent and applicable experience. HUD is looking for staff to possess experience working with and successfully implementing similar projects. If proposed staff has experience in providing community technology services and in delivering social service programs to underserved populations, applicants will receive a maximum score of four points. If

proposed staff has experience in only one area, applicants will receive two points. If proposed staff has experience in neither area, applicants will receive a score of 0 for this subfactor.

The following information should be included in the application in order to provide HUD an understanding of the proposed staff's experience and capacity:

(i) The number of staff years (one staff year = 2080 hours) to be allocated to the program by each employee as well as each of their roles in the program;

(ii) The staff's relevant educational background and/or work experience;

(iii) Relevant and successful experience running programs whose activities include social services and computer programs that are similar to the eligible program activities described in this NOFA;

(b) *Hiring Residents* (3 points). Three points will be awarded if applicants commit to hiring one to three residents. Small PHAs should hire one person, medium PHAs should hire one to two people, and large PHAs should hire three people in order to get the maximum score. In order to receive points for this subfactor, applicants must explain in their narrative that they will hire residents and indicate the number of residents to be hired, and work they will be assigned.

(c) *Organizational Capacity* (5 Points). Applicants will be evaluated based on whether they have, and/or whether their partners have sufficient qualified personnel to deliver the proposed activities in a timely and effective fashion. In order to enhance or supplement capacity, applicants should provide evidence of partnerships with nonprofit organizations or other organizations that have experience providing community technology services to typically underserved populations. Applicants' narrative must describe their ability to immediately begin the proposed work program. Applicants may fax (see the General Section for instructions) resumes or position descriptions (where staff is not yet hired) for all key personnel. Please see the General Section for instructions on how to submit the required information with your electronic application. (Resumes/position descriptions do not count toward the 35-page limit.)

(2) *Past Performance of Applicant/Contract Administrator* (6 Points). Applicants' narrative must describe how they (or their Contract Administrator) successfully implemented grant programs (including those listed below) designed to promote resident self-sufficiency or moving from welfare to

work. Applicants' past experience may include, but is not limited to, running programs aimed at assisting residents of low-income housing achieve economic self-sufficiency; e.g. ROSS grants and Youthbuild. Applicants' narrative must indicate the grants they received and managed, the grant amounts, and grant terms (years) of the grants they are counting towards past experience. Applicants will be evaluated according to the following criteria:

(a) Benefits gained by participating residents. These must be measurable. Applicants should describe results their programs have obtained, (e.g. higher incomes, improved grades, higher rates of employment, increased savings, improved literacy, etc.);

(b) Description of timely grant expenditure throughout the term of past grants. Timely means regular drawdowns throughout the life of the grant, i.e. quarterly drawdowns, with all funds expended by the end of the grant term;

(c) Description of past leveraging. Applicants must describe how they have leveraged funding or in-kind services beyond what was originally proposed for past projects;

(3) *Program Administration and Fiscal Management*. (17 Points)

(a) *Program Administration*. (10 Points). Applicants should describe how they will manage the program; how HUD can be sure that there is program accountability; and provide a description of proposed staff's roles and responsibilities. Applicants should also describe how grant staff, and partners will report to the Project Coordinator and other senior staff.

(b) *Fiscal Management*. (7 Points). In rating this factor, applicants' skills and experience in fiscal management will be evaluated. If applicants have had any audit or material weakness findings in the past five years, they will be evaluated on how well they have addressed them. Applicants must provide the following:

(i) A complete description of their fiscal management structure, including fiscal controls currently in place, which includes those of a Contract Administrator for applicants who required one. i.e., troubled PHAs);

(ii) Applicants must list any audit findings in the past five years (HUD Inspector General, management review, fiscal, etc.), material weaknesses and what has been done to address them;

(iii) For applicants who are required to have a Contract Administrator, describe the skills and experience the Contract Administrator has in managing Federal funds.

b. Rating Factor 2: Need (10 Points)

This factor addresses the need for funding an applicant's proposed program. In responding to this factor, applicants will be evaluated on the extent to which they describe and document the level of need for their proposed activities.

In responding to this factor, applicants must include:

(1) *Demonstrated Link Between Proposed Activities and Local Need* (10 points). Applicants' narrative must demonstrate a clear relationship between proposed activities, community needs and the purpose of the program's funding in order for points to be awarded for this factor.

c. Rating Factor 3: Soundness of Approach (25 Points)

This factor addresses both the quality and cost-effectiveness of applicants' proposed business plan. The business plan must indicate a clear relationship between proposed activities, the targeted population's needs, and the purpose of the program funding. Applicants' activities must address HUD's policy priorities outlined in this Rating Factor.

In rating this factor HUD will consider:

(1) *Quality of the Business Plan* (20 points). This factor evaluates both the applicants' business plan and budget which will be evaluated based on the following criteria:

(a) *Specific Services and/or Activities* (9 points). Applicants' narrative must describe the specific services, course curriculum, and activities they plan to offer and who will be responsible for each. In addition to the narrative, applicants must also provide a business plan listing the specific services, activities, and outcomes they expect. The business plan must show a logical order of activities and progress and must tie to the outcomes and outputs applicants identify in the Logic Model (see Rating Factor 5). Please see a sample business plan (HUD-52766). Applicants' narrative must explain how their proposed activities will:

(i) Involve community partners in the delivery of services (4 points); and

(ii) Offer comprehensive services versus a small range of services geared toward enhancing economic opportunities for residents. (5 points).

(b) *Feasibility and Demonstrable Benefits* (4 points). This factor examines whether applicants' business plan is logical, feasible and likely to achieve its stated purpose during the term of the grant. HUD's desire is to fund applications that will quickly produce

demonstrable results and advance the purposes of the Neighborhood Networks program.

(i) *Timeliness*. This subfactor evaluates whether applicants' business plan demonstrates that their project is ready to be implemented shortly after grant award. In addition, the timing of the application should not exceed three months following the execution of the grant agreement. The business plan must indicate timeframes and deadlines for accomplishing major activities.

(ii) *Description of the problem and solution*. The business plan will be evaluated based on how well applicants' proposed activities address the needs described in Rating Factor 2.

(c) *Budget Appropriateness/Efficient Use of Grant*. (5 Points) The score in this factor will be based on the following:

(i) *Justification of expenses*. (2 Points) Applicants will be evaluated based on whether their expenses are reasonable, well explained, and support the objectives of their proposal.

(ii) *Budget Efficiency*. (3 Points) Applicants will be evaluated based on whether their application requests funds commensurate with the level of effort necessary to accomplish their goals and anticipated results.

(d) *Ineligible Activities*. Two points will be deducted for each ineligible activity proposed in the application, as identified in Section IV(E). For example, you will lose 2 points if you propose costs that exceed the limits identified in the NOFA for a Project Coordinator.

(2) *Addressing HUD's Policy Priorities* (5 points). HUD wants to improve the quality of life for those living in distressed communities. HUD's grant programs are a vehicle for long-term, positive change that can be achieved at the community level. Applicants' narrative and business plan will be evaluated based on how well they meet the following HUD policy priorities:

(a) *Improving the Quality of Life in Our Nation's Communities* (1 point). In order to receive points in this category, applicants' narrative and business plan must indicate the types of activities, services, and training programs that will be offered. These programs should help residents successfully transition from welfare to work and earn higher wages, or for elderly/disabled residents, to continue to live independently.

(b) *Providing Full and Equal Access to Grassroots Faith-Based and Other Community-Based Organizations in HUD Program Implementation* (1 point). HUD encourages applicants to partner with grassroots organizations, e.g., civic organizations, grassroots faith-based and other community-based organizations. These grassroots organizations have a

strong history of providing vital community services such as developing first-time homeownership programs, creating economic development programs, providing job training and other supportive services. In order to receive points under this factor, applicants' narrative and business plan must describe how applicants will work with these organizations and what types of services they will provide.

(c) *Policy Priority for Increasing the Supply of Affordable Housing Through the Removal of Regulatory Barriers to Affordable Housing*. (up to 2 points)

Under this policy priority, higher rating points are available to (1) governmental applicants that are able to demonstrate successful efforts in removing regulatory barriers to affordable housing, and (2) nongovernmental applicants undertaking activities in jurisdictions that have undertaken successful efforts in removing barriers. For applicants to obtain the policy priority points for efforts to successfully remove regulatory barriers, applicants should complete form HUD 27300, "Questionnaire for HUD's Initiative on Removal of Regulatory Barriers." A copy of HUD's Notice entitled America's Affordable Communities Initiative, HUD's Initiative on Removal of Regulatory Barriers: Announcement of Incentive Criteria on Barrier Removal in HUD's 2004 Competitive Funding Allocations" can be found on HUD's Web site at <http://www.hud.gov/grants/index.cfm>. The information and requirements contained in HUD's regulatory barriers policy priority apply to this FY 20056 NOFA.

A description of the policy priority and a copy of form HUD 27300 can be found in the application package posted to www.grants.gov. Applicants are encouraged to read the Notice as well as the General Section to obtain an understanding of this policy priority and how it can impact their score. A number of questions expressly request the applicant to provide brief documentation with their response. Other questions require that for each affirmative statement made, the applicant must supply a reference, URL, or a brief statement indicating where the back-up information may be found, and a point of contact, including a telephone number or e-mail address. The electronic copy of the HUD 27300 has space to identify a URL or reference that the material is being scanned and attached to the application as part of the submission or faxed to HUD following the facsimile submission instructions.

(d) *Energy Star*. (1 point) HUD has adopted a wide-ranging energy action plan for improving energy efficiency in

all program areas. As a first step toward implementing the energy plan, HUD, the Environmental Protection Agency (EPA) and the Department of Energy (DoE) have signed a joint partnership to promote energy efficiency in HUD's affordable housing efforts and programs. The purpose of the Energy Star partnership is to promote energy efficiency of the affordable housing stock, but also to help protect the environment. Applicants constructing, rehabilitating, or maintaining housing or community facilities are encouraged to promote energy efficiency in design and operations. They are urged especially to purchase and use Energy Star labeled products. Applicants providing housing assistance or counseling services are encouraged to promote Energy Star materials and practices, as well as buildings constructed to Energy Star standards, to both homebuyers and renters. Program activities can include developing Energy Star promotional and information materials, outreach to low- and moderate-income renters and buyers on the benefits and savings when using Energy Star products and appliances, and promoting the designation of community buildings and homes as Energy Star compliant. For further information about Energy Star, see <http://www.energystar.gov> or call 1-888-STAR-YES (1-888-782-7937) or for the hearing-impaired, 1-888-588-9920 TTY. Applicants demonstrating that they will meet one or more provisions of this policy priority will receive one point.

(e) *Economic Opportunities for Low- and Very Low-Income Persons* (Section 3)—(2 Points). You will receive 2 points if your application demonstrates that you will implement Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) (Economic Opportunities for Low- and Very Low-Income Persons in Connection with assisted Projects) and its implementing regulations at 24 CFR part 135 in connection with this grant, if awarded. Information about Section 3 can be found at HUD's Section 3 Web site at www.hud.gov/fhe/sec3over.html. Your application must describe how you will implement Section 3 through the proposed grant activities. You must state that you will, to the greatest extent feasible, direct training, employment, and other economic opportunities to:

(a) Low- and very low-income persons, particularly those who are recipients of government assistance for housing, and

(b) Business concerns which provide economic opportunities to low- and very low-income persons.

d. Rating Factor 4: Leveraging Resources (20 Points)

(1) This factor addresses the applicant's ability to secure community resources that can be combined with HUD's grant resources in order to achieve program purposes. Applicants are required to create partnerships with organizations that can help achieve their program's goals. PHAs are required by section 12(d)(7) of the U.S. Housing Act of 1937 (entitled "Cooperation Agreements for Economic Self-Sufficiency Activities") to make best efforts to enter into such agreements with relevant state or local agencies. In rating this factor, HUD will look at the extent to which applicants partner, coordinate and leverage their services and resources with other organizations serving the same or similar populations.

(2) Additionally, applicants must have at least a 25 percent cash or in-kind match. The match is a threshold requirement. Joint applicants must have at least a 25 percent match. Applicants who do not demonstrate the minimum 25 percent match will fail the threshold requirement and will not receive further consideration for funding. Leveraging in excess of the 25 percent of the requested grant amount will receive a higher point value. In evaluating this factor HUD will consider the extent to which applicants have partnered with other entities to secure additional resources. This will increase the effectiveness of the proposed program activities. The additional resources and services must be firmly committed, must support the proposed grant activities and must, in combined amount (including in-kind contributions of personnel, space and/or equipment, and monetary contributions) equal at least 25 percent of the grant amount requested in this application. Match proposed to be used for ineligible activities will not be accepted. "Firmly committed" means that the amount of resources and their dedication to Neighborhood Networks-funded activities must be explicit, in writing, and signed by a person authorized to make the commitment. "In-kind" match should be explained explicitly and include a total amount for the grant term. Please see the section on Threshold Requirements for more information.

(3) Points for this factor will be awarded based on the documented evidence of partnerships and firm commitments and the ratio of requested Neighborhood Networks funds to the total proposed grant budget.

Points will be assigned based on the following scale:

Percentage of match	Points awarded
25	5 points (with partnerships) 3 points (without partnerships).
26–50	10 points (with partnerships) 8 points (without partnerships).
51–75	15 points (with partnerships) 13 points (without partnerships).
76 or above	20 points (with partnerships) 18 points (without partnerships).

e. Rating Factor 5: Achieving Results and Program Evaluation (10 Points)

(1) An important element of any supportive service program is the development and reporting of performance measures and outcomes. This factor emphasizes HUD's determination to ensure that applicants meet commitments made in their applications and grant agreements. They are also required to assess their performance so they can measure performance goals. Applicants must demonstrate how they propose to measure their success and outcomes relating to the Department's Strategic Plan. HUD requires NN applicants to develop an effective, quantifiable, outcome-oriented plan for measuring performance and determining that goals have been met. Applicants must use the Logic Model form (HUD-96010) for this purpose. The narrative describes how the measurement tools are used to collect and verify reported data and to modify the program if goals are not being met.

(2) Applicants must establish interim benchmarks, or outputs, for their proposed program that lead to the ultimate achievement of outcomes. "Outputs" are the direct products of a program's activities. Outputs should produce outcomes for your program; e.g., the delivery of training and/or educational programs to improve the ability of participants to obtain or retain employment, get a high school diploma or GED, get on-the-job training by establishing partnerships with local employers, etc. "Outcomes" are benefits accruing to the residents, families and/or communities during or after participation in the NN program. Applicants must clearly identify the outcomes to be achieved and measured. Examples of outcomes are: increasing academic achievement, increasing residents' financial stability by

obtaining or retaining employment, increasing a participants' job readiness by increasing literacy or completing a GED, etc. Outcomes are not the actual development or delivery of services or program activities but the results of the services delivered or program activities—the ultimate results of the program.

(3) This rating factor requires that applicants identify program outputs, outcomes, and performance indicators that will allow applicants to measure their performance. Performance indicators should be objectively quantifiable and measure actual achievements against anticipated achievements. Applicants' narrative, business plan, and Logic Model should identify what applicants are going to measure, how they are going to measure it, and the steps they have in place to make adjustments if performance targets begin to fall short of established benchmarks and timeframes. Applicants' proposals must also show how they will measure the performance of partners and affiliates. Applicants must include the standards, data sources, and measurement methods they will use to measure performance. Applicants will be evaluated based on how comprehensively they propose to measure their program's outcomes.

B. Review and Selection Process

1. Review Process

Four types of reviews will be conducted: A screening to determine if you are eligible to apply for funding under the Neighborhood Networks category; whether your application submission is complete, on time and meets threshold; a review by the field office to evaluate past performance; and a technical review to rate your application based on the five rating factors provided in this NOFA.

2. Selection Process

HUD will make awards in rank order based on the score of each eligible application.

3. Tie Scores

In the event of a tie score between two applications, HUD will select the application that was received first.

4. Deficiency Period

Applicants will have fourteen calendar days in which to provide missing information requested from HUD. For other information on correcting deficient applications, please see the General Section.

VI. Award Administration Information**A. Award Notices**

HUD will make announcements of grant awards after the rating and ranking process is completed. Grantees will be notified by letter. The letter will contain instructions and the steps they must take to access funding and begin implementing grant activities. Applicants who are not funded will also receive letters via U.S. postal mail.

B. Debriefings

Applicants who are not funded may request a debriefing. Applicants requesting to be debriefed must send a written request to: Iredia Hutchinson, Director, Grants Management Center, 501 School Street, SW., Suite 800, Washington, DC 20024. Please refer to the General Section for additional information on debriefings.

C. Administrative and National Policy Requirements**1. Applicable Requirements**

Grantees are subject to regulations and other requirements found in:

- a. 24 CFR 85 "Administrative Requirements for Grants and Cooperative Agreements to State, Local, and Federally Recognized Indian Tribal Governments";
- b. 24 CFR Part 905 "The Public Housing Capital Fund Program";
- c. 24 CFR Part 968 "Public Housing Modernization";
- d. OMB Circular A-87 "Cost Principles for State, Local, and Indian Tribal Governments"; and
- e. OMB Circular A-133 "Audits of States, Local Governments, and Non-Profit Organizations".

2. Economic Opportunities for Low- and Very Low-Income Persons (Section 3)

Applicants and grantees must also comply with Section 3 of the Housing and Urban Development Act of 1968, 12 U.S.C. 1701u and ensure that training, employment, and other economic opportunities shall, to the greatest extent feasible, be directed toward low and very low-income persons, particularly those who are recipients of government assistance for housing and to business concerns which provide economic opportunities to low and very low-income persons.

3. Executive Order 13202, Preservation of Open Competition and Government Neutrality Towards Government Contractors' Labor Relations on Federal and Federally Funded Construction Projects

For further information see the General Section.

4. Fair Housing and Civil Rights Laws

Applicants and their subrecipients must comply with all Fair Housing and Civil Rights laws, statutes, regulations, and Executive Orders as enumerated in 24 CFR 5.105(a), as applicable. Please see the General Section for more information.

5. Environmental Impact

Some activities under this Neighborhood Networks program section will be excluded and not subject to environmental review under 24 CFR 58.34(a)(3), (a)(8) or (a)(9), 58.35(b)(2) or (b)(3), 50.19(b)(3), (b)(8), (b)(9), (b)(12), or (b)(13). Some will be subject to environmental review. Any applicant proposing any long-term leasing or physical development activities, and its partners, are prohibited from constructing, rehabilitating, converting, leasing, repairing or constructing property, or committing or expending HUD or non-HUD funds for these types of program activities, until the following has occurred:

HUD has approved the grantee's Request for Release of Funds (HUD Form 7015.15) following a Responsible Entity's completion of an environmental review under 24 CFR part 58, where required, or if HUD has determined in accordance with 24 CFR 58.11 to perform the environmental review itself under 24 CFR part 50, HUD has completed the environmental review.

6. Wage Rates

Laborers and mechanics employed in the development and operation of Neighborhood Networks facilities must be paid Davis-Bacon or HUD-determined prevailing wage rates, respectively, unless they meet the qualifications of a volunteer (See Section III.C.1.a of this program section).

7. Provision of Services to Individuals With Limited English Proficiency (LEP)

Successful applicants and grantees must seek to provide access to program benefits and information to LEP individuals through translation and interpretive services in accordance with HUD's LEP Recipient Guidance 68 FR 70968.

8. Communications

Successful applicants should ensure that notices of and communications during all training sessions and meetings be effective for persons who have hearing and/or visual disabilities consistent with Section 504, see 24 CFR 8.6.

9. Procurement of Recovered Materials

State agencies or a political subdivision of a state that are using assistance under a HUD program NOFA, must comply with the requirements of Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. In addition, any person contracting with such an agency with respect to work performed under an assisted contract, must comply with the requirements of Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. Please see the General Section for more information.

D. Reporting**1. Semi-Annual Performance Reports**

Grantees must submit semi-annual performance reports to the local HUD field office. These progress reports shall include financial reports (SF-269A) and the logic model (HUD-96010) showing achievements to date against outputs and outcomes proposed in the application and approved by HUD. A narrative describing milestones, work plan progress, and problems encountered and methods used to address these problems to support the data in the logic model is optional. HUD anticipates that some of the reporting of financial status and grant performance will be through electronic or Internet-based submissions. Grantees shall use quantifiable data to measure performance against goals and objectives outlined in their business plan. Applicants that receive awards from HUD should be prepared to report on additional measures that HUD may designate at time of award. Performance reports are due to the field office on July 30 and January 31 of each year. If reports are not received by the due date, grant funds will not be advanced until reports are received. For FY2006, HUD is considering a new concept for the Logic Model. The new concept is a Return on Investment statement. HUD will be publishing a separate notice on the ROI concept.

2. Final Report

All grantees must submit a final report to their local field office that will include a financial report (SF-269A), a final Logic Model, and a narrative evaluating overall results achieved against their work plan. Grantees must use quantifiable data to measure performance against goals and objectives outlined in their work plan. The financial report must contain a summary of all expenditures made from the beginning of the grant agreement to

the end of the grant agreement and must include any unexpended balances. The final narrative, Logic Model, and financial report are due to the field office 90 days after the termination of the grant agreement.

3. Final Audit

Grantees that expend \$500,000 in federal funds in a given program or fiscal year, are required to obtain a complete final close-out audit of the grant's financial statements by a Certified Public Accountant (CPA), in accordance with generally accepted government audit standards. A written report of the audit must be forwarded to HUD within 60 days of issuance. Grant recipients must comply with the requirements of 24 CFR 84 or 24 CFR 85 as stated in OMB Circulars A-87, A-110, and A-122, as applicable.

4. Racial and Ethnic Data

HUD requires that funded recipients collect racial and ethnic beneficiary data. HUD has adopted the Office of Management and Budget's Standards for

the Collection of Racial and Ethnic Data. In view of these requirements, applicants should use form HUD-27061, Racial and Ethnic Data Reporting Form.

VII. Agency Contact(s)

For questions and technical assistance, applicants may call the Public and Indian Housing Information and Resource Center at 800-955-2232. For the hearing or speech impaired, please call the Federal Relay Service at 800-877-8339.

VIII. Other Information

A. Code of Conduct

See the General Section for more information.

B. Transfer of Funds

HUD does not have the discretion to transfer funds for the Neighborhood Networks category to or from any other grant program.

C. Paperwork Reduction Act

The information collection requirements contained in this

document have been approved by the Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3520) and assigned OMB control number 2577-0229. In accordance with the Paperwork Reduction Act, HUD may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection displays a currently valid OMB control number. Public reporting burden for the collection of information is estimated to average 54.25 hours per respondent for the application. This includes the time for collecting, reviewing, and reporting the data for the application. The information will be used for grantee selection and monitoring the administration of funds. Response to this request for information is required in order to receive the benefits to be derived.

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