

RHS, RBS, RUS, FSA, USDA

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agency under Public Law 103-354 executes the grant agreement.

(7) Paying any debts, expenses, or costs which should be the responsibility of the individual families receiving technical and supervisory assistance.

(8) Any type of political activities.

(9) Other costs including contributions and donations, entertainment, fines and penalties, interest and other financial costs, legislative expenses and any excess of cost from other grant agreements.

(b) Advice and assistance may be obtained from the National Office where ineligible costs are proposed as part of the TSA project or where a proposed cost appears ineligible.

(c) The grantee may not charge fees or accept compensation or gratuities from TSA recipients for the grantee's assistance under this program.

§ 1944.521 [Reserved]

§ 1944.522 Equal opportunity requirements.

The policies and regulations contained in subpart E of part 1901 of this chapter apply to grants made under this subpart.

§ 1944.523 Other administrative requirements.

The following policies and regulations apply to grants made under this subpart:

(a) The policies and regulations contained in subpart F of part 1901 of this chapter regarding historical and archaeological properties.

(b) The policies and regulations contained in subpart G of part 1940 of this chapter regarding Environmental Assessments.

[44 FR 36891, June 22, 1979, as amended at 48 FR 29121, June 24, 1983; 49 FR 3763, Jan. 30, 1984]

§ 1944.524 [Reserved]

§ 1944.525 Targeting of TSA funds to States.

(a) The Administrator will determine, based on the most current available information (generally that information used to determine the allocation to States of FmHA or its successor agency under Public Law 103-354 hous-

ing loan funds), those States with the highest degree of substandard housing and persons in poverty in rural areas eligible to receive FmHA or its successor agency under Public Law 103-354 housing assistance. The Administrator will distribute a portion of the available funds for TSA to these States, leaving the balance available for national competition.

(b) The Administrator will provide annual notice through a published Notice on the distribution of appropriated TSA funds, the number of preapplications to be submitted to the National Office from the State Offices, and the maximum grant amount per project.

§ 1944.526 Preapplication procedure.

(a) *Preapplication submission.* (1) All applicants will file an original and two copies of SF 424.1, "Application for Federal Assistance (For Non-construction)," and supporting information detailed below with the appropriate District Office serving the proposed TSA area. A preapplication packet including SF 424.1 is available in all District and State Offices.

(i) The applicant will provide informational copies of the preapplication to the County Supervisor(s) of the area to be served by the TSA project at the time of submittal to the appropriate District Office.

(ii) If the TSA area encompasses more than one District Office, the preapplication will be filed at the District Office which serves the area in which the grantee will provide the greatest amount of TSA efforts. Additional informational copies of the preapplication will be sent by the applicant to the other affected District Office(s).

(2) All preapplications shall be accompanied by the following information which will be used to determine the applicant's eligibility to undertake a TSA program and to determine whether the applicant might be funded.

(i) A narrative presentation of the applicant's proposed TSA program, including:

(A) The technical and supervisory assistance to be provided;

(B) The time schedule for implementing the program;

(C) The staffing pattern to execute the program and salary range for each position, existing and proposed;

(D) The estimated number of low-income and low-income minority families the applicant will assist in obtaining affordable adequate housing;

(E) The estimated number of FmHA or its successor agency under Public Law 103-354 borrowers who are delinquent or being foreclosed that the applicant will assist in resolving their financial problems relating to their delinquency;

(F) The estimated number of households which will be assisted in obtaining adequate housing in the TSA area through new construction and/or rehabilitation;

(G) Annual estimated budget for each of the two years based on the financial needs to accomplish the objectives outlined in the proposal. The budget should include proposed direct and indirect costs for personnel, fringe benefits, travel, equipment, supplies, contracts, and other costs categories, detailing those costs for which the grantee proposes to use the TSA grant separately from non-TSA resources, if any;

(H) The accounting system to be used;

(I) The method of evaluation proposed to be used by the applicant to determine the effectiveness of its program;

(J) The sources and estimated amounts of other financial resources to be obtained and used by the applicant for both TSA activities and housing development and/or supporting facilities; and

(K) Any other information necessary to explain the manner of delivering the TSA assistance proposed.

(ii) Complete information about the applicant's previous experience and capacity to carry out the objectives of the proposed TSA program;

(iii) Evidence of the applicant's legal existence, including, in the case of a private nonprofit organization, a copy of, or an accurate reference to, the specific provisions of State law under which the applicant is organized; a certified copy of the applicant's Articles of Incorporation and Bylaws or other evidence of corporate existence; certificate of incorporation for other than

public bodies; evidence of good standing from the State when the corporation has been in existence one year or more; the names and addresses of the applicant's members, directors, and officers; and, if another organization is a member of the applicant-organization, its name, address, and principal business.

(iv) For a private nonprofit entity, a current financial statement dated and signed by an authorized officer of the entity showing the amounts and specific nature of assets and liabilities together with information on the repayment schedule and status of any debt(s) owed by the applicant. If the applicant is an organization being assisted by another private nonprofit organization, the same type of financial statement should also be provided by that organization.

(v) A brief narrative statement which includes information about the area to be served and the need for improved housing (including both percentage and actual number of both low-income and low-income minority families and substandard housing), the need for the type of technical and supervisory assistance being proposed, the method of evaluation to be used by the applicant in determining the effectiveness of its efforts (as related to paragraph (a)(2)(i) of this section), and any other information necessary to specifically address the selection criteria in §1944.529.

(vi) A list of other activities the applicant is engaged in and expects to continue and a statement as to any other funding and whether it will have sufficient funds to assure continued operation of the other activities for at least the period of the TSA grant agreement.

(3) An applicant should submit written statements from the county, parish, or township governments of the area affected that the project is beneficial and does not duplicate current activities. If the local governmental units will not provide such statements, the applicant will prepare and include with its preapplication a summary of its analysis of alternatives considered under §1944.514(c). However, Indian nonprofit organization applicants should obtain the written concurrence of the Tribal governing body in lieu of

the concurrence of the county governments.

(4) Sponsored applicants should submit a written commitment for financial and/or technical assistance from their sponsoring entity.

(5) An original and one copy of Form FmHA or its successor agency under Public Law 103-354 1940-20, "Request for Environmental Information."

(b) *District Office processing of preapplications.* (1) The District Director with whom the preapplication is filed will review the preapplication, SF 424.1, and any other supporting information from the applicant. The District Director will also:

(i) Complete any required environmental review procedures as specified in subpart G of part 1940 of this chapter and attach to the application.

(ii) Prepare a review of the project in accordance with subpart F of part 1901 of this chapter and attach it to the preapplication.

(2) All District Directors and County Supervisors receiving informational copies of the preapplication should submit their comments within five working days to the District Director with whom the preapplication is filed.

(3) The original and one copy of the preapplication, together with the District Director's written comments and recommendations, reflecting the criteria used in §1944.529 and exhibit C of this subpart, will be forwarded to the State Director within ten working days of receipt of the preapplication.

(c) *State Office processing of preapplications.* (1) Upon receipt of a preapplication, the State Office will review and evaluate the preapplication and accompanying documents in accordance with the project selection criteria of §1944.529 and exhibit B of this subpart. The State Office will also:

(i) Make a determination on Form FmHA or its successor agency under Public Law 103-354 1940-21, Form FmHA or its successor agency under Public Law 103-354 1940-22 or Class II Environmental Assessment in accordance with subpart G of part 1940 of this chapter.

(ii) Prepare an historical and archaeological assessment in accordance with §1901.255 (b) and (c) of subpart F of part 1901 of this chapter.

(2) Within 30 days of the closing date for receipt of preapplications as published in the FEDERAL REGISTER, the State Director will forward to the National Office the original preapplication(s) and supporting documents of the selected applicant(s), including any comments received in accordance with 7 CFR part 3015 subpart V, "Intergovernmental Review of Department of Agriculture Programs and Activities" (See FmHA Instruction 1940-J, available in any FmHA or its successor agency under Public Law 103-354 Office), and the comments and recommendations of the County Office(s), District Office(s), and the State Office. The State Office will submit the preapplication(s) in accordance with the annual notice provided for by §1944.525 (b) of this subpart.

(3) Concurrently the State Office will send a copy of the selected applicant's(s') SF 424.1 and relevant documents to the Regional Office of the General Counsel (OGC) requesting a legal determination be made of the applicant's legal existence and authority to conduct the proposed program of technical and supervisory assistance.

(4) The State Office will notify other applicants that their preapplications will not be selected and advise them of their appeal rights under subpart B of part 1900 of this chapter.

(d) *National Office processing of preapplications.* (1) Preapplications for this program from those States targeted under §1944.525 will be reviewed by the National Office for completeness and compliance with this subpart. If a grant is recommended, the National Office will return the preapplication(s) with any comments and recommendations to the State Office and advise that office to proceed with the issuance of Form AD-622, "Notice of Preapplication Review Action," and to request the applicant to prepare SF 424.1 for submission to the District Office. If a grant is not recommended, the National Office will advise the State Office of action to take.

(2) Preapplications from States which are not targeted in accordance with §1944.525 will be reviewed for completeness and compliance with this subpart and then evaluated in accordance with the project selection criteria of

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§1944.529. Those preapplications which are selected, and for which funds are available, will be returned to the appropriate State Office with any National Office comments and recommendations. The State Office will be advised to proceed with the issuance of SF 424.1 and to request the applicant to prepare Form AD-623 for submission to the District Office as detailed in §1944.531.

(3) Those preapplications for which funds are not available will be returned to the appropriate State Office which will notify each applicant and advise the applicant of its appeal rights under subpart B of part 1900 of this chapter.

(4) State Directors will be advised of the National Office's action on their selected preapplication within 30 days of receipt of all preapplications.

[47 FR 40400, Sept. 14, 1982, as amended at 48 FR 29121, June 24, 1983; 49 FR 3763, Jan. 30, 1984; 55 FR 13503 and 13504, Apr. 11, 1990; 55 FR 50081, Dec. 4, 1990]

§ 1944.527 [Reserved]

§ 1944.528 Preapplication submission deadline.

Dates governing the review and selection of TSA grant preapplications will be published annually in the FEDERAL REGISTER. Preapplications received after that time will not be considered for funding. For use of fiscal year 1979 funds, the deadline for submission of preapplications will be 45 calendar days from date of publication of final regulations.

§ 1944.529 Project selection.

(a) Projects must meet the following criteria:

(1) Provide a program of supervisory assistance as defined in §1944.506(h), and

(2) Serve areas with a concentration of substandard housing and low-income and low-income minority households.

(b) In addition to the items listed in paragraph (a) of this section, the following criteria will be considered in the selection of grant recipients:

(1) The extent to which the project serves areas with concentrations of FmHA or its successor agency under Public Law 103-354 single family housing loan borrowers who are delinquent

in their housing loan payments and/or threatened with foreclosure.

(2) The capability and past performance demonstrated by the applicant in administering its programs.

(3) The effectiveness of the current efforts by the applicant to assist low-income families in obtaining adequate housing.

(4) The extent to which the project will provide or increase the delivery of housing resources to low-income and low-income minority families in the area who are not currently occupying adequate housing.

(5) The services the applicant will provide that are not presently available to assist low-income families in obtaining or maintaining occupancy of adequate housing and the extent of duplication of technical and supervisory assistance activities currently provided for low-income families.

(6) The extent of citizen and local government participation and involvement in the development of the preapplication and project.

(7) The extent of planned coordination with other Federal, State, or local technical and/or supervisory assistance programs.

(8) The extent to which the project will make use of other financial and contributions-in-kind resources for both technical and supervisory assistance and housing development and supporting facilities.

(9) Any comments received in accordance with 7 CFR part 3015 subpart V, "Intergovernmental Review of Department of Agriculture Programs and Activities." See FmHA Instruction 1940-J, available in any FmHA or its successor agency under Public Law 103-354 office.

(10) The extent to which the project will be cost effective, including but not limited to the ratio of personnel to be hired by the applicant to the cost of the project, the cost, both direct and indirect, per person benefiting from the project, and the expected benefits to low-income families from the project.

(11) The extent to which the proposed staff and salary ranges, including qualifications, experience, proposed hiring schedule and availability of any prospective employees, will meet the