

into consideration the following factors:

- (1) The urban-rural area to be served;
- (2) The nature of the organization applying;
- (3) The organizational structure for delivery of services;
- (g) The number of users of the center and the level of utilization of services in previous operational periods, if any;
- (h) Whether the center's catchment area is exclusive of the area served by another center;
- (i) The degree to which the applicant intends to integrate services supported by a grant under this subpart with health services provided under other Federally assisted health services or reimbursement programs or projects;
- (j) The extent to which community resources will be utilized by the project;
- (k) The extent to which the center will provide preventive health services so as to maintain and improve the health status of the population served; and
- (l) The extent to which center operations will emphasize direct health services, efficiency of operations and sound financial management.

Subpart D—Grants for Operating Community Health Projects

§ 51c.401 Applicability.

The regulations of this subpart, in addition to the regulations of subpart A are applicable to grants awarded pursuant to section 330(d)(1)(B) of the Act for the costs of operation of projects which provide health services to medically underserved populations.

§ 51c.402 Application.

To be approved by the Secretary under this subpart, an application for a grant must, in addition to meeting the requirements of § 51c.104 of subpart A, contain information sufficient to enable the Secretary to determine that the project for which the grant is sought will meet the requirements of § 51c.403 of this subpart.

§ 51c.403 Project elements.

A project for the operation of a community health project supported under this subpart must:

- (a) Meet all of the requirements of § 51c.303 of this part except for paragraph (h).
- (b) Provide those services enumerated in § 51c.102(c)(1) of this part which the Secretary determines to be feasible and desirable and which are specified in the grant award.
- (c) Establish a governing board meeting the requirements of § 51c.304 by the end of the period of support under section 330(d)(1)(B) of the Act and this subpart.

§ 51c.404 Grant evaluation and award.

(a) Within the limits of funds determined by the Secretary to be available for such purpose, the Secretary may award grants under this subpart to applicants therefor which will, in his judgment, best promote the purposes of section 330(d)(1)(B) of the Act and the applicable regulations of this part,

- (1) Where the project meets the requirements of § 51c.403(a); and
- (2) Taking into consideration the following:

(i) The degree to which the project would provide the services enumerated in § 51c.102(c)(1) and the feasibility of its providing all of such enumerated services by the end of the period of support under section 330(d)(1)(B) of the Act and this subpart;

(ii) Whether the project will have a governing board meeting the requirements of § 51c.304 by the end of the period of support under section 330(d)(1)(B) of the Act and this subpart;

(iii) The degree to which the applicant intends to integrate services supported by a grant under this subpart with health services provided under other Federally assisted health service or reimbursement programs or projects;

(iv) The need of the population to be served for the services to be provided;

(v) The potential of the project for the development of new and effective methods for health services delivery and management;

(vi) The soundness of the fiscal plan for assuring effective utilization of grant funds and maximizing non-grant revenue;

(vii) The administrative and management capacity of the applicant; and