

options on indexes that measure the volatility of shares of gold ETFs are subject to extensive and detailed regulation by the SEC under the '34 Act. Given such regulatory protections, the Commission has determined that all persons trading Options on the GVZ Index and other options on indexes that measure the volatility of shares of gold ETFs on a national securities exchange, and clearing such products through OCC in its capacity as a securities clearing agency, are appropriate persons.

Third, the grant of this exemption would not have a material adverse effect on the ability of the Commission or any Commission-regulated market to carry out their regulatory responsibilities under the CEA.¹⁵

Therefore, upon due consideration, pursuant to its authority under § 4(c) of the CEA, the Commission hereby issues this Order and exempts the trading of the following products on national securities exchanges, and the clearing of all such products through the Options Clearing Corporation ("OCC") in its capacity as a registered securities clearing agency, from the provisions of the CEA and the regulations thereunder, to the extent necessary to permit such products to be so traded and cleared:

- (a) Options on the GVZ Index;

¹⁵ As noted in the proposing release, 75 FR at 69059, on September 24, 2010, the Commission has also issued a Request for Comment on Options for a Proposed Exemptive Order Relating to the Trading and Clearing of Precious Metal Commodity-Based ETFs and a Concept Release, 75 FR 60411 (September 30, 2010) ("Precious Metal ETF Release"). In the Precious Metal ETF Release, the Commission requested comment, in part, regarding whether it should issue a categorical Section 4(c) exemption to permit options and futures on shares of all or some precious metal commodity-based ETFs to be traded and cleared as options on securities and security futures, respectively. The comment period for the Precious Metal ETF Release expired on November 1, 2010; eight comments were received.

The Commission will use its authority under Section 4(c) of the CEA to exempt options on *indexes* that measure the volatility of shares of gold ETFs at this time while it continues to consider the appropriateness of a categorical exemption with respect to options and futures on shares of precious metal commodity-based ETFs. The Commission concludes that options on an index that measures commodity price volatility based on shares of such an ETF do not raise the same regulatory concerns that may be associated with options and futures on shares of an ETF that is based on the underlying commodity. In this regard, trading in options and futures on shares of a gold ETF could have a potential impact on the deliverable supply by removing physical gold from physical marketing channels, and thus may impact the gold futures price. An index based on volatility measures does not raise these concerns in that such an index does not involve ownership of the commodity, either directly or indirectly, by traders in options on such an index, and thus options on such index would not have a direct impact on deliverable supplies or the pricing of gold in the cash market.

(b) Options on any index that measures the volatility (historical or expected) of the price(s) of shares of one or more gold ETFs; and

(c) Options on any index that measures the volatility (historical or expected) of price(s) of shares of one or more gold ETFs and the price(s) of any other instrument(s), which other instruments are securities as defined in § 3(a)(10) of the '34 Act.¹⁶

This Order is subject to termination or revision, on a prospective basis, if the Commission determines upon further information that this exemption is not consistent with the public interest. If the Commission believes such exemption becomes detrimental to the public interest, the Commission may revoke this Order on its own motion.

IV. Related Matters

A. Paperwork Reduction Act

The Paperwork Reduction Act of 1995 ("PRA")¹⁷ imposes certain requirements on Federal agencies in connection with their conducting or sponsoring any collection of information as defined by the PRA. The proposed exemptive order would not, if approved, require a new collection of information from any entities that would be subject to the proposed order.

B. Cost-Benefit Analysis

Section 15(a) of the CEA¹⁸ requires the Commission to consider the costs and benefits of its action before issuing an order under the CEA. By its terms, § 15(a) does not require the Commission to quantify the costs and benefits of an order or to determine whether the benefits of the order outweigh its costs; rather, it requires that the Commission "consider" the costs and benefits of its action.

Section 15(a) of the CEA further specifies that the costs and benefits shall be evaluated in light of five broad areas of market and public concern: (1) Protection of market participants and the public; (2) efficiency, competitiveness, and financial integrity of futures markets; (3) price discovery; (4) sound risk management practices; and (5) other public interest considerations. The Commission may in its discretion give greater weight to any one of the five enumerated areas and could in its discretion determine that, notwithstanding its costs, a particular order is necessary or appropriate to protect the public interest or to effectuate any of the provisions or to

accomplish any of the purposes of the CEA.

The Commission has considered the costs and benefits of the order in light of the specific provisions of § 15(a) of the CEA. The Commission has determined that the costs of this order are not significant. Although the order exempts the subject options from regulation under the CEA, market participants and the public will nonetheless be protected because the national securities exchanges on which they trade, and the intermediaries through which they will be traded will be subject to comprehensive regulation by the SEC. The Commission has determined that the benefits of the order are substantial. The order will promote efficiency in the markets, as it will provide certainty that the subject options will not be subject to duplicative regulation.

The Commission requested comment on its application of these factors in the proposing release. No such comments were received.

After considering the costs and benefits, the Commission has determined to issue this order.

Issued in Washington, DC, on December 23, 2010 by the Commission.

David A. Stawick,

Secretary of the Commission.

[FR Doc. 2010-32812 Filed 12-28-10; 8:45 am]

BILLING CODE P

CORPORATION FOR NATIONAL AND COMMUNITY SERVICE

Proposed Notice of Funding Opportunity (NOFO) for Social Innovation Fund 2011 Awards; Request for Feedback

AGENCY: Corporation for National and Community Service (the Corporation).

ACTION: Request for Feedback on the Corporation's Fiscal Year (FY) 2011 Notice of Funding Opportunity (NOFO) for Social Innovation Fund Awards.

SUMMARY: The Corporation for National and Community Service (CNCS) is releasing a draft of the Notice of Funding Opportunity (NOFO) for the 2011 Social Innovation Fund competition. This release will initiate a public input period that will extend until January 21, 2011.

The Social Innovation Fund is an innovative program that awards grants to and works with existing grantmaking institutions, referred to in the *Notice* as "intermediaries," to direct resources to innovative community-based nonprofit organizations that will identify and grow promising programs with

¹⁶ 15 U.S.C. 78c(a)(10).

¹⁷ 44 U.S.C. 3507(d).

¹⁸ 7 U.S.C. 19(a).

preliminary evidence of effectiveness. These programs will address challenges facing local communities in three priority issue areas:

- Youth Development;
- Economic Opportunity; and
- Healthy Futures

This public input process reinforces the commitment of CNCS to maintain the high standard of transparency and openness the Social Innovation Fund demonstrated in its initial year (2010). An open process is also critical to ensure that, moving forward, the Social Innovation Fund is able to select the high quality of grantees required to advance its mission—significantly and sustainably improving the lives of people in low-income communities throughout the U.S.

CNCS has built on the lessons from the 2010 Social Innovation Fund competition, and is proposing several changes from last year's process that are reflected in the draft 2011 document:

- The Social Innovation Fund is taking additional steps towards transparency consistent with CNCS's commitment to transparency. The NOFO indicates that CNCS plans to release the names and executive summaries of all applications considered for funding, the names of all expert reviewers, and the reviewer comments for all selected grantees. The public comment period will allow us to gauge the sector's thoughts on this issue.
- To expand the number of intermediaries able to participate in the Social Innovation Fund, we have decreased the maximum dollar amount for which intermediaries can apply from \$10 million to \$7 million. The minimum level will remain at \$1 million.

- To stimulate the identification of additional high-impact community-based organizations throughout the U.S., intermediaries will not be permitted to include pre-selected subgrantees in their applications. All intermediary applicants will select all of their subgrantees through open, competitive processes initiated after receipt of their award.

- CNCS has streamlined and clarified the overall content of the NOFO to make it easier for organizations to apply. Particularly we have clarified the eligibility criteria, consolidated guidelines for narrative content, and added information about the review process.

CNCS is soliciting public input on the proposed Social Innovation Fund NOFO. As appropriate, the feedback received will be taken into account in the final NOFA. (CNCS will not provide

individual responses to feedback received.)

DATES: *Feedback Due Date:* January 21, 2011.

ADDRESSES: You may submit feedback by any of the following methods:

(1) *Electronically through the Corporation's e-mail address system:* SIFinput@cns.gov.

(2) *By mail sent to:* Corporation for National and Community Service, Attention: Kirsten Breckinridge, Room 10708A; 1201 New York Avenue, NW., Washington, DC 20525.

(3) *By hand delivery or by courier to:* The Corporation's mailroom at Room 8100 at the mail address given in paragraph (1) above, between 9 a.m. and 4 p.m. Monday through Friday, except Federal holidays.

(4) *By fax to:* (202) 606-3466, Attention: Kirsten Breckinridge, SIF Docket Manager.

FOR FURTHER INFORMATION CONTACT:

Questions regarding specific SIF program requirements should be directed to Kirsten Breckinridge by e-mail at SIFinput@cns.gov. Persons with hearing or speech impairments may contact CNCS via TTY by calling the Federal Information Relay Service at (800) 877-8339.

Overview Information

A. *Federal Agency Name:* Corporation for National and Community Service.

B. *Funding Opportunity Title:* Social Innovation Fund.

C. *Announcement Type:* Initial announcement.

D. *Funding Opportunity Number:* OMB Approval Numbers applicable to this NOFA are 3045-0129.

E. *Catalog of Federal Domestic Assistance (CFDA) Number(s):* 94.019.

F. *Dates:*

1. *Application Receipt Requirements and Date:* CNCS is not currently accepting applications for this assistance.

2. *Estimated Award Date.* The estimated award date will be included in the final NOFA published by CNCS.

G. *Additional Important Overview Information:*

1. CNCS is specifically seeking feedback on the changes that have been made to the 2011 Social Innovation Fund Notice of Funding Opportunity that are intended to clarify the Social Innovation Fund transparency practices, as well as the review and selection processes from the 2010 NOFA. We also welcome feedback on changes to the *Notice* format.

- CNCS is specifically inviting feedback on the outlined transparency practices and description of the review

and selection process. CNCS is interested in whether the process and policies outlined reflect our intention to make public the processes behind grant selection and if not, how they can be changed to do so.

- The Corporation has changed two policies within the 2010 *Notice* regarding the allowability of pre-selected subgrantees and the range of grant award that may be requested by an applicant. The Corporation is interested in public feedback on these two changes and the implications for potential applicant programming.

- The format of the Notice of Funding Opportunity has been changed from the 2010 NOFO to provide streamlined application narrative instructions and to more clearly delineate the eligibility criteria and the selection criteria. These changes are mostly contained within sections II, IV, and V. The Corporation is specifically inviting feedback on whether these changes improve the clarity of the eligibility and review criteria and whether the narrative instructions are clearly laid forth.

2. *Application materials.* The NOFA and application materials will be available for download via the Corporation's Web site at <http://www.nationalservice.gov/about/programs/innovation.asp>.

Full Text of Announcement

Overview

This Notice of Funding Opportunity (*Notice*) announces the opportunity (pending the availability of appropriations) to apply for fiscal year 2011 awards from the Social Innovation Fund. The Social Innovation Fund is administered by the Corporation for National and Community Service (CNCS), whose mission is to improve lives, strengthen communities, and foster civic participation through service and volunteering. As the nation's largest grantmaker for service and volunteering, CNCS plays a critical role in building the capacity of America's nonprofit sector and expanding the reach and impact of volunteers in addressing pressing community challenges. Last fiscal year, CNCS engaged an estimated 5.5 million Americans in service, the largest total in its history. CNCS's core programs are AmeriCorps, Learn and Serve America and Senior Corps.

Created by the Edward M. Kennedy Serve America Act of 2009, the Social Innovation Fund is itself an innovative program that awards grants to and works with existing grantmaking institutions, referred to in this *Notice* as "intermediaries," to direct resources to innovative community-based nonprofit

organizations to identify, validate, and grow promising approaches to challenges facing local communities in three priority issue areas:

- Youth Development;
- Economic Opportunity; and
- Healthy Futures

The true innovation behind the Social Innovation Fund stems from the combination of three major elements: (1) Its focus on developing, strengthening, and then replicating and expanding community solutions that deliver results, (2) its operating model, which represents a new way of doing business for the Federal government, and (3) its support of supplementary initiatives intended to leverage the grant program and benefit the broader social innovation field.

With respect to validating and growing promising approaches, the Social Innovation Fund embraces a belief that many compelling solutions to the persistent problems of low-income communities have already been developed and successfully implemented, albeit on a limited scale, by social entrepreneurs and nonprofit organizations working in those very communities, who have a deep understanding of the problems and bring passion and fresh, practical thinking to the challenge of solving them. Accordingly, the Social Innovation Fund aims to identify those community-based organizations with the greatest potential for generating increased impact, help them strengthen their evidence base, and proactively support the growth of their work in order to significantly improve the lives of more people in more low-income communities.

With respect to its operating model, the Social Innovation Fund's approach to investing in promising community solutions is characterized by several elements that are explicitly designed to increase the effectiveness and sustainability of the program's work while maximizing the impact generated per unit of public money invested. These elements include: (1) Reliance on intermediaries with strong skills and track records of success to do the critical work of selecting, validating, and growing high-impact nonprofit organizations; (2) requirements that each Federal dollar granted by the Social Innovation Fund be matched 1:1 by the grantees and again by subgrantees with money from private and other non-Federal sources, (3) strict accountability for the achievement of impact and outcomes rather than for activities and outputs; and (4) requirements for systematic evaluation of program performance and results at all three

critical levels: the service-providing nonprofit organizations, the intermediaries and the Social Innovation Fund itself.

Last year, the Social Innovation Fund competitively selected 11 intermediaries with exemplary track records of success at identifying, supporting and growing promising approaches to critical community challenges. To learn more about last year's grantees and to read their full applications to CNCS, please visit: <http://www.nationalservice.gov/about/programs/innovation.asp>.

CNCS embraces the Obama Administration's emphasis on open government and is moving toward greater openness and transparency in grantmaking. Last year, the Social Innovation fund took an unprecedented step in this direction by making available the names of expert reviewers, the names of applicants who were considered for funding, and the full applications and review comments for the selected grantees.

For the 2011 Social Innovation Fund competition, CNCS has described the application review process stage by stage (*see* section V of this *Notice*). The following information will be provided to the public (except for any information which is clearly protected by law) within 90 days of announcing the selected grantees:

- Names of expert reviewers.
- List of all applicants considered for funding.
- Executive summaries of all applications considered for funding.
- The applications of selected grantees.
- External reviewer comments for the selected grantees.

I. Funding Opportunity Description

A. What is the purpose of the Social Innovation Fund?

The purpose of the Social Innovation Fund is to improve the lives of people in low-income communities throughout the United States by increasing the impact and scale of innovative community-based approaches that deliver results in three critical areas, youth development, economic opportunity and healthy futures. To this end, the Social Innovation Fund is a vehicle to: (1) Promote public and private investment in community-based nonprofit organizations with promising approaches to critical challenges to validate their impact and replicate and expand to serve more communities (2) through the use of appropriate evidence, identify additional effective approaches to addressing critical community challenges and broadly share this

knowledge; and (3) develop the grantmaking infrastructure necessary to support the work of social innovation in communities across the country.

As relates to the Social Innovation Fund, "social innovation" is understood to be the development and eventual scaling of promising and potentially transformative community-based approaches that solve critical problems. An approach is "transformative" if it not only produces strong impact (as defined in this *Notice*), but also (1) has the potential to affect how the same challenge is addressed in other communities, (2) addresses more than one critical community challenge concurrently, or (3) produces significant cost savings through gains in efficiency.

Although the practice of social innovation requires the invention and testing of new ideas, the Social Innovation Fund is not intended to fulfill this role, for two reasons: First, the nonprofit marketplace offers sources of funding for that stage of development; and, second, the Social Innovation Fund believes that public funds are most appropriately and responsibly used for programs with a higher probability of success. Consequently, the Social Innovation Fund focuses primarily on "promising" approaches. These approaches may be relatively new or have limited current market penetration, but they will have a body of operational experience and at least preliminary evidence of effectiveness, as defined in this *Notice*.

B. How does the Social Innovation Fund program work?

In FY 2011, CNCS will award a limited number of Social Innovation Fund grants to outstanding grantmaking institutions, referred to in this *Notice* as "intermediaries." These intermediaries will match every Federal dollar of the grant award in cash. They will then identify and invest at least 80% of their Federal funds (plus identified cash matching funds) in portfolios of promising community-based nonprofit organizations (subgrantees) working in low-income communities in one or more of the following issue areas:

- *Youth Development*—Preparing America's youth for success in school, active citizenship, productive work, and healthy and safe lives.
- *Economic Opportunity*—Increasing economic opportunities for economically disadvantaged individuals.
- *Healthy Futures*—Promoting healthy lifestyles and reducing the risk factors that can lead to illness.

Subgrantees will also match every dollar of their awards in cash and will

utilize CNCS funding to produce measurable outcomes within a specific issue area and geographic area, evaluate their effectiveness and replicate and expand to serve more individuals. Throughout this process, subgrantees will be supported and monitored by the intermediaries, who will remain accountable to CNCS for the achievement of the intended results set forth in their proposals.

Successful intermediary applicants in this funding competition will have:

- A track record of using rigorous evidence to select, invest in, validate, support, and monitor the replication and expansion of their subgrantees;
- The capacity to conduct a competitive process for selecting innovative nonprofit community organizations with effective and potentially transformative approaches;
- Expertise in one or more of the issue areas; and
- Deep and broad relationships with stakeholders in one or more priority issue areas and/or specific geographic regions.

This *Notice* provides full details on how applicants must address these and other factors in submitting their applications.

C. What is the match requirement for this competition?

Social Innovation Fund grantees will match the Federal funds received, dollar-for-dollar, in cash. For FY 2011, Social Innovation Fund applicants must demonstrate the ability to meet 50 percent of their cash match requirement at the time of the application. Subgrantees will be required to provide the same match (dollar-for-dollar, in cash) for every dollar received.

D. How does CNCS define “low-income communities”?

As specified in section 198K of the National and Community Service Act of 1990 (“the Act”), Social Innovation Fund intermediary grantees must make subgrants and otherwise support programs that serve “low-income” communities. For purposes of this *Notice*, “low-income community” means either:

- A population of individuals or households being served by a subgrantee on the basis of having a household income that is 200 percent or less of the applicable Federal poverty guideline, or
- Either a population of individuals or households, or a specific local geographic area, with specific measurable indicators that correlate to low-income status, such as, but not exclusive to, long-term unemployment,

risk of homelessness, low school achievement, persistent hunger, or serious mental illness. An application that proposes to rely on measurable indicators should fully describe the basis for relying upon those indicators (including citations to appropriate studies). The application must also describe and cite the source of data supporting the conclusion that the targeted community meets the indicators.

E. How does the CNCS define which communities are “significantly philanthropically underserved”?

In making its final award determinations under this *Notice*, section 198K(h)(2) of the Act requires CNCS to include, among award recipients, eligible applicants that propose to provide subgrants to nonprofit community organizations that will serve “significantly philanthropically underserved” communities. For purposes of this FY 2011 *Notice*, CNCS will consider applicants serving significantly philanthropically underserved communities if they carry out activities in low-income communities (as defined above), which are also in a rural geographic area.

For purposes of this *Notice*, a rural geographic area is one with a 2003 Rural-Urban Continuum Code of 4 or higher (as issued by the U.S. Department of Agriculture, Economic Research Service). The full list of Rural-Urban Continuum Codes is listed here: <http://www.ers.usda.gov/briefing/rurality/ruralurbcon/>.

F. What is the subgranting process and what are requirements?

As discussed above, this *Notice* seeks applications for organizations to act as intermediaries. By statute, intermediaries must select subgrantees on a competitive basis. The primary functions of Social Innovation Fund awardees will be to conduct competitive subgrant competitions and administer those subgrants as required by the Act, this *Notice*, and the terms and conditions of the final awards.

Competitive subgrant competitions must be completed within six months of the grant award. CNCS may review the results of subgrant processes for compliance and appropriate outcomes.

Subgrants are to be made in annual amounts of \$100,000 or more, per year, for a period between three and five years. For the FY 2011 Social Innovation Fund competition, CNCS anticipates Social Innovation Fund intermediaries awarding larger subgrants to programs that show the

higher levels of impact and effectiveness, as defined below. Applicants should note that their subgrantees will be required to provide dollar-for-dollar matching funds, in cash, for each year that they receive a Social Innovation Fund subgrant.

In order to maximize the impact of the Social Innovation Fund and ensure a diverse array of innovative grantees across the Federal government, intermediary applicants should direct Social Innovation Fund funds toward innovations that will not receive grants for the same activities from other Federal innovation funds (e.g., “Investing in Innovation” at the Federal Department of Education). Final Social Innovation Fund award decisions may take into consideration the outcomes of other Federal competitions.

G. What constitutes a “competitive subgrant competition”?

As described in this *Notice*, Social Innovation Fund intermediaries must select their subgrantees through an open and competitive process. Applicants should clearly describe their plan for subgranting in their application narrative and will want to include the characteristics described below.

To ensure that the competition is open, Intermediaries should provide sufficient public notice of the availability of Social Innovation Fund subgrants to eligible nonprofit community organizations. Intermediaries will also want to ensure that the following information is available to all potential applicants:

- What organizations are eligible for funding;
- How to obtain and submit an application;
- The criteria (including appropriate subcriteria) that will be considered in reviewing applications; and
- Any relative percentages, weights, or other means used to distinguish among the criteria.

In their application, intermediaries should also describe how their review process will ensure applications are reviewed in a manner consistent with the established criteria and how they will ensure the process is free from any actual conflicts of interest or the reasonable perception of any such conflict.

H. What emphasis does the Social Innovation Fund place on evidence of effectiveness?

CNCS is committed to using the resources available to encourage public and private investment in a portfolio of approaches with the potential to produce transformative results.

Wherever possible, this means acting on evidence from well-designed and well-implemented experimental or quasi-experimental studies that demonstrate the program has a sizeable impact. However, CNCS recognizes that in many fields, and in many parts of the country, such evidence is not available. In those cases, CNCS is committed to funding promising efforts that will build on the existing base of evidence and grow our evidence about what works, improve programs, and inform future investments. All selected subgrantees will be required to have at least "preliminary" evidence of their impact and effectiveness.

The Social Innovation Fund will support the use of evidence in several ways. First, the Social Innovation Fund will prioritize intermediaries that have a track record of using evidence (see Section V) to select and invest in their subgrantees. Second, the Social Innovation Fund will require the use of data and evaluation tools by both intermediaries and subgrantees to validate their effectiveness and support the replication and expansion of their programs. Third, the Social Innovation Fund will evaluate the efforts of intermediaries and their subgrantees to achieve measurable outcomes. Fourth, the Social Innovation Fund will require that intermediaries put in place plans for all subgrantees to achieve at least moderate levels of evidence.

I. What definitions of impact and evidence will the Social Innovation Fund use?

As mentioned above, successful applicants should demonstrate a history of using evidence of effectiveness to select and invest in their subgrantees and should propose a clear and detailed plan for validating the effectiveness of promising programs and evaluating the impact of their investments in replicating and expanding programs. One of the goals of these evaluation plans should be to increase the number of programs over time that have moderate or strong evidence of program effectiveness.

CNCS will use the following definitions of impact and evidence (these definitions are consistent with those used in the Investing in Innovation fund at the Federal Department of Education):

- **Strong impact** means an impact with a substantial likelihood of yielding a major change in life outcomes for individuals or improvements in community standards of living. This definition will vary with context. To give examples, a mentoring program that cut youth crime by two percent

over a given period would not have a strong impact, but a program that cut such crime by 20 percent could. A program that increases earnings by \$50 per week for one month, and then fades out, would not have a strong impact. A program that increased earnings by this amount for a period of years would.

- **Strong evidence** means evidence from previous studies whose designs can support causal conclusions (*i.e.*, studies with high internal validity), and studies that in total include enough of the range of participants and settings to support scaling up to the State, regional, or national level (*i.e.*, studies with high external validity). The following are examples of strong evidence: (1) More than one well-designed and well-implemented experimental study or well-designed and well-implemented quasi-experimental study that supports the effectiveness of the practice, strategy, or program; or (2) one large, well-designed and well-implemented randomized controlled, multisite trial that supports the effectiveness of the practice, strategy, or program.

- **Moderate evidence** means evidence from previous studies whose designs can support causal conclusions (*i.e.*, studies with high internal validity) but have limited generalizability (*i.e.*, moderate external validity), or studies with high external validity but moderate internal validity. The following would constitute moderate evidence: (1) At least one well-designed and well-implemented experimental or quasi-experimental study supporting the effectiveness of the practice strategy, or program, with small sample sizes or other conditions of implementation or analysis that limit generalizability; (2) at least one well-designed and well-implemented experimental or quasi-experimental study that does not demonstrate equivalence between the intervention and comparison groups at program entry but that has no other major flaws related to internal validity; or (3) correlational research with strong statistical controls for selection bias and for discerning the influence of internal factors.

- **Preliminary evidence** means evidence that is based on a reasonable hypothesis supported by research findings. Thus, research that has yielded promising results for either the program, or a similar program, will constitute preliminary evidence and will meet CNCS's criteria. Examples of research that meet the standards include: (1) Outcome studies that track program participants through a service 'pipeline' and measure participants' responses at the end of the program; and (2) pre- and post-test research that determines

whether participants have improved on an outcome of interest. In future years, CNCS may expand its standard for preliminary evidence to include reasonable hypotheses that are based on theories of change.

II. Award Information

A. How much funding is available?

Subject to the availability of appropriations for FY 2011, CNCS anticipates awarding up to \$XX million to approximately five to ten new Social Innovation Fund intermediary organizations. Based on recent experience and expressions of interest, CNCS anticipates that this Social Innovation Fund grant competition will be highly competitive.

B. What is the award amount?

For the FY 2011 Social Innovation Fund award competition, CNCS expects to make annual awards in the range of \$1 million to \$7 million. CNCS expects to make larger grants to those intermediary organizations with a track record of supporting subgrantees with strong evidence and impact (as described in Section V of this Notice) and the capacity to support replication or expansion.

C. What is the award period?

The award period is up to five years, with funding provided in annual increments, subject to availability of annual appropriations. Grantees will be eligible for continuation funding in the second through fifth year, contingent on the availability of appropriations, compliance with grant conditions, and satisfactory performance, including having secured sufficient matching funds.

III. Eligibility Information

A. What are the eligibility criteria?

This competition is open to all entities that meet the following compliance and eligibility criteria. Receipt of previous funding from CNCS or other Federal agencies is not a prerequisite to applying under this Notice.

In order to be compliant and eligible for review, an applicant must:

1. Meet specific compliance requirements including:
 - Include a budget that reflects a Federal share of between \$1 million and \$7 million;
 - Include a budget that reflects a plan to distribute at least 80 percent of awarded Federal funds to subgrantees;
 - Submit application in a timely manner as provided in this Notice;
 - Submit an application that is complete, in that it contains all required

elements and follows the instructions provided in this *Notice*.

2. Demonstrate either cash-on-hand or commitments (or a combination thereof) toward meeting 50 percent of the required first year matching funds, based on the amount of grant funds requested.

At the time of submission of the application, applicants must demonstrate either cash-on-hand or commitments (or a combination thereof) toward meeting 50 percent of their first year matching funds, based on the amount of Federal grant funds applied for. For example, a request of \$1 million needs to be accompanied by documentation of having \$500,000 in cash on-hand or commitments at the time of application. Instructions for how to provide documentation of match are provided in section IV.

In order to be eligible for award, an applicant must:

1. Be an existing grantmaking institution or an eligible partnership;

Existing grantmaking institutions are organizations in existence at the time of the application, which invest in nonprofit community organizations or programs as an essential (rather than collateral) means of fulfilling their mission and vision.

In keeping with this view, grantmaking institutions will generally have the following as part of their core operating functions:

- Conducting open or otherwise competitive programs to award grants to or make investments in a diverse portfolio of nonprofit community organizations;
- Negotiating specific grant requirements with nonprofit community organizations; and
- Overseeing and monitoring the performance of grantees.

An *eligible partnership* is a formal relationship between an existing grantmaking institution (as defined above) and either an additional grantmaking institution, a State Commission on National and Community Service (State Commission), or a chief executive officer of a unit of general local government where the partner organizations will share responsibilities under the award. In a cooperative agreement with a partnership, CNCS would expect to be dealing with each partner organization with some degree of independence concerning their collective responsibilities. For example, a partnership could include one organization that handles all aspects of a Social Innovation Fund program related to evaluation, while another

organization handles all aspects related to finances and grant administration.

Other collaborations (which may be similar to consultant or contractor arrangements), where an organization obtains access to needed competencies, but remains fully responsible for performance of the cooperative agreement, will not be treated as partnerships for purposes of determining eligibility. Please *see* the description of successful 2010 Social Innovation Fund grantees for examples of existing grantmaking institutions and eligible partnerships.

2. Declare its status as either a geographically-based or issue-based Social Innovation Fund that will focus on improving measurable outcomes;

CNCS asks applicants to use a thematic approach in describing their proposed investments in community organizations. As established in section 198K of the Act, there are two basic operational models of Social Innovation Fund intermediaries. The first is a Social Innovation Fund that will operate in a single geographic location, and address one or more priority issues within that location. This model is referred to as a “geographically-based Social Innovation Fund.” The second model is a Social Innovation Fund that will address a single priority issue area in multiple geographic locations. This model is referred to as an “issue-based Social Innovation Fund.” CNCS will assess whether the application properly proposes goals and objectives as either a geographically-based or an issue-based Social Innovation Fund.

Geographically-Based Social Innovation Fund

To apply as a geographically-based Social Innovation Fund, the applicant must propose to focus on serving low-income communities within a specific local geographic area, *and* propose to focus on improving measurable outcomes related to *one or more* of the following priority issue areas:

- Youth Development.
- Economic Opportunity.
- Healthy Futures.

Issue-Based Social Innovation Fund

To apply as an issue-based Social Innovation Fund, the applicant must propose to focus on addressing *one* of the following priority issue areas within multiple low-income communities:

- Youth Development.
- Economic Opportunity.
- Healthy Futures.

3. Have a track record of using evidence to select, invest in, validate, and support the replication and expansion of grantees.

Applicants must include information in their application that describes their track record of using evidence, data, and evaluation tools to:

- Select and invest in subgrantees;
 - Validate the effectiveness of subgrantees;
 - Support, monitor, and evaluate the replication and expansion of subgrantees; and
 - Achieve measurable outcomes.
4. Have a clearly-articulated plan to:
- Select, replicate and expand subgrantees that have been shown to have at least preliminary evidence of effectiveness; and

- Collaborate with a research organization to undertake rigorous evaluations to move subgrantees to at least moderate levels of evidence.

5. Have appropriate policies on conflicts of interest, self-dealing, and other improper practices.

Applicants must explain within the Program Design section of their application how they have, or will, put measures in place that will prevent conflict of interest, opportunities for self-dealing, and other improper practices from occurring, specifically during the competitive subgrant selection process.

B. How will eligibility criteria be applied?

CNCS will conduct a compliance review of applications to determine whether they meet the compliance criteria listed above. Applications' executive summaries will then be screened through an initial eligibility review which will confirm whether the applicant meets eligibility criteria 1 and 2 listed above. The compliance and initial eligibility reviews will not involve reading the entire application. Any application that does not meet each of these four initial criteria will be considered nonresponsive to this *Notice* and will not be further reviewed.

The remaining applications will be reviewed as described in this *Notice*. The review will include an evaluation of the final three eligibility criteria above as part of the overall review process. In addition, and as necessary, CNCS will further evaluate an applicant during clarifying discussions (and possible site visits) with applicants. CNCS also anticipates conducting due diligence reviews to assess or confirm information or assurances provided by applicants. As part of these application reviews, further discussions and any due diligence reviews, CNCS may conclude that an application does not meet one or more of the eligibility criteria listed above, in which case the application will be considered

nonresponsive and will not be further considered.

C. Can existing social innovation fund grantees apply under this Notice?

Existing Social Innovation Fund grantees may apply under this Notice, but their application must seek funding for a program that is distinct from the program currently being funded. An application to expand a current Social Innovation Fund supported program into different geographical areas will not be considered an application for a distinct program.

IV. Application and Submission Information

This section is divided into two parts. The first part explains when and how applications should be submitted. The second part provides explicit guidance for the application narratives that must be submitted as a part of an application.

Part 1. Application Submission Information

A. When are applications due?

Applications are due no later than 5 p.m. ET on XXXX. Applications must arrive at CNCS by the deadline in order to be considered.

B. Where can I request application information?

This Notice may be found on CNCS's Web site: <http://www.nationalservice.gov/about/programs/innovation.asp>.

C. What is a DUNS number and is it required?

The Dun and Bradstreet Data Universal Numbering System (DUNS) number is an identifier that helps the Federal government improve statistical reports on Federal grants and cooperative agreements. Applications must include a DUNS number on the Application for Federal Assistance (Standard Form 424). The DUNS number does not replace your Employer Identification Number. DUNS numbers may be obtained at no cost by calling the DUNS number request line at (866) 705-5711, or by applying online at <http://www.dnb.com>.

The Web site indicates a 24-hour e-mail turnaround time on requests for DUNS numbers. However, we suggest registering at least 30 days in advance of the application due date. Expedited DUNS numbers may be obtained by telephone at a cost of \$99 by calling the DUNS number request line. Applications without DUNS numbers or with invalid DUNS numbers will be rejected. A DUNS number is required to apply for this funding opportunity.

D. How do I submit an application?

CNCS requires that all applicants submit their applications electronically via CNCS's Web-based application system, eGrants.

Applications must arrive at CNCS by XXXX at 5 p.m. ET in order to be considered. CNCS reserves the right to extend the submission deadline. Any notice of such extended deadline will be posted in eGrants.

We recommend that applicants create an eGrants account and begin the application at least three weeks before the deadline and begin pasting your application into eGrants no later than ten days before the deadline. Applicants should draft the application as a word processing document, then copy and paste the document into eGrants no later than 10 days before the deadline.

Contact the eGrants Help Desk at 888-677-7849 or e-mail egrantshelp@cns.gov if a problem arises while creating an account, preparing, or submitting an application. Be prepared to provide your application ID and organization's name. eGrants Help Desk hours are 8 p.m. ET Monday through Friday.

If technical issues are preventing you from submitting your application in eGrants by the deadline, please contact the eGrants Help Desk prior the deadline to explain the technical issue and receive a ticket number. If the issue cannot be resolved by the deadline, the applicant must continue working with the eGrants Help Desk to submit via eGrants.

E. Will late applications be considered?

CNCS may consider an application after the deadline, but only if the applicant submits a letter explaining the extenuating circumstance which caused the delay. The letter must be sent to LateApplications@cns.gov within the 24-hour period following the deadline. Late applications are evaluated on a case-by-case basis.

If extenuating circumstances make the use of eGrants impossible, applicants may send a hard copy of the application to the address below in Section VI, Agency Contacts, via overnight carrier. Please use a non-U.S. Postal Service because of security-related delays in receiving mail from the U.S. Postal Service. All deadlines and requirements in this Notice apply to hard copy applications. Hard copy applications must include a cover letter detailing the circumstances that make it impossible to submit via e-Grants.

Do not submit supplementary materials such as videos, brochures, letters of support, or any other item not requested in this Notice. CNCS will not review or return them.

F. How is an application created in eGrants?

If you need help establishing a new organization account in eGrants, or a new user account for an existing organization account, please refer to the eGrants Help Desk Web site: <http://www.nationalservice.gov/egrants/help.asp>.

After you create your eGrants account, begin by selecting "New" under the *Creating an Application* heading on your Home Page. Select "Other" as the *Program Area* and click "Go." You will then be asked to *select a NOFA*. Choose: Social Innovation Fund 2011. Once you create an application, you will be allowed to edit as needed until you are ready to submit.

Do not use the *New* button again as this will start a brand new application. Once you have initiated an application, it will be listed in the View My Grants/Applications section of the homepage under the status: *Grantee Edit of Application or Report*. If you exit and then return to eGrants and wish to continue entering or editing your application, please open your saved version by selecting *View My Grants/Applications* in the status *Grantee Edit of Application or Report*.

G. What must be included in an application?

This Notice contains all application instructions and is available at <http://www.nationalservice.gov/about/programs/innovation.asp>.

The application must provide a well-designed plan with a clear and compelling justification for awarding the requested funds. Guidance for completing the narrative sections is provided below. In evaluating your application, reviewers will assess the narrative on the basis of your program design, organizational capacity, and budget adequacy/cost effectiveness.

Application Instructions are formatted to correspond to fields in eGrants and clarified through this Notice.

The completed application will consist of the following components, described in detail below:

1. Standard Form 424 (SF-424) Facesheet
2. Narratives (OMB Control# 3045-0129, Expiration Date 11/30/2011)
 - Executive Summary.
 - Program Design.
 - Organizational Capacity.
 - Cost-Effectiveness and Budget Adequacy.
3. Standard Form 424A Budget
4. Authorization, Assurances, and Certifications

5. Survey on Ensuring Equal Opportunity (*Optional*; OMB Control# 1894-0010, Expiration Date 5/31/2012)

1. Standard Form 424 Facesheet

The Standard Form-424 Facesheet is required for applications submitted for Federal assistance. The SF-424 contents are duplicated in eGrants, although the format is different.

Please note that the SF-424 is automatically generated by completing the data elements in the eGrants system. When completing the application in eGrants, many of the fields will be populated with information entered during the organization's registration process.

Applicant Info

Please note that the *Authorized Representative* name is blank. You cannot select a name for this field. Instead, the Authorized Representative will need to have his/her own account to click on the Assurances and Certifications at the end of the application. (Attachment A)

Under *Project Information* select, "Enter New" and choose a title for the proposed project. It is possible to enter another address for the project, which may or not be the same as that of the Legal Applicant.

Select a Project Initiative: Choose the operational model which best describes your Social Innovation Fund application from the following options:

- SIF—Geographic Healthy Futures.
- SIF—Geographic Opportunity.
- SIF—Geographic Youth.
- SIF—Geographic Multiple Issues.
- SIF—Issue Area Healthy Futures.
- SIF—Issue Area Opportunity.
- SIF—Issue Area Youth.

To select an individual as the *Project Director*, choose a name from the pull-down menu or add a new contact.

Application Info

Areas affected by the project: List only the largest political or municipal entities affected (e.g., counties and cities).

Enter the dates for the *proposed project start and end* dates. Your project period is up to five years and must begin no later than September 30, 2011.

Intergovernmental Review of Federal Programs: This program is NOT subject to Executive Order 12372.

Delinquent on any Federal debt:

Check the appropriate box. This question applies to the applicant organization, not the person who signs as the authorized representative. Categories of debt include delinquent audit allowances, loans, and taxes. If Yes, type your explanation in the text box provided.

State Application Identifier:

Enter N/A.

Note: Falsification or concealment of a material fact or submission of false, fictitious or fraudulent statements or representations to any department or agency of the United States. Government may result in a fine or imprisonment for not more than five (5) years, or both. (18 U.S.C. 1001).

2. Narrative Section

The application narrative comprises four separate sections. Content guidelines for each of these narrative sections, including character limits and content requirements, are provided later in this section of the *Notice*. The four sections include:

1. Executive Summary
2. Program Design
 - A. Goals and Objectives
 - B. Description of Activities
 - C. Use of Evidence
 - D. Community Resources
3. Organizational Capacity
- A. Ability to Provide Program

Oversight

- B. Ability to Provide Fiscal Oversight
4. Cost-Effectiveness and Budget

Adequacy

- A. Budget and Program Design
- B. Match Sources

3. Standard Form 424A Budget

Budget—Year One

The budget should describe how grant funds will be used to effectively support activities described in the proposal narrative. Do not include unexplained amounts, amounts for miscellaneous or contingency costs, or unallowable expenses such as entertainment costs. Round all figures to the nearest dollar. Refer to the Federal cost principles at: <http://www.whitehouse.gov/omb/circulars/index.html> for information on allowable costs in Federal grants.

We recommend you prepare your project budget off-line before entering it into eGrants. EGrants will create the budget and the budget narrative automatically from the detailed budget information you enter.

Budget Section 1 Categories:

Project Personnel Expenses.
Personnel Fringe Benefits.

Travel—Please include adequate funding for travel for at least two staff member to 2 CNCS convenings and 1 financial training. For the sake of planning purposes, assume that meetings will take place in Washington, DC.

Equipment (individual items over \$5,000).

Supplies.

Contractual and Consultant Services.

Other (all subgrant costs are included in the line titled, "Subgrants").

Budget Section 2 Categories:

Source of Matching Funds.

Federally Approved Indirect Costs.

You will be prevented from validating your budget in eGrants if you do not meet the dollar-for-dollar, cash match. You will receive an error message that states, "Grantee share must be greater than or equal to CNCS share."

4. Authorization, Assurances, and Certifications

eGrants requires that you review and verify your entire application before submitting, by completing the following sections in eGrants:

- Review.
- Authorize.
- Assurances.
- Certifications.
- Verify.
- Submit.

Read the Authorization, Assurances, and Certifications carefully (Attachment A). The person who authorizes the application must be the applicant's Authorized Representative or his/her designee and must have an active eGrants account to sign these documents electronically. An Authorized Representative is the person in your organization authorized to accept and commit funds on behalf of the organization. A copy of the governing body's authorization for this official representative to sign must be on file in the applicant's office.

Be sure to check your entire application to make sure that there are no errors before submitting it. eGrants will also generate a list of errors if there are sections that need to be corrected prior to submission when you verify the application. If someone else is acting in the role of the applicant's authorized representative, that person must log into his/her eGrants account to proceed with Authorize and Submit. After signing off on the Authorization, Assurances, and Certifications, his/her name will override any previous signatory that may appear and show on the application as the Authorized Representative.

Note: Anyone within your organization who will be entering information in the application at any point during application preparation and submission in the eGrants system must have their own eGrants account. Individuals may establish an eGrants account by accessing this link: <https://egrants.cns.gov/espan/main/login.jsp> and selecting "Don't have an eGrants account? Create an account."

5. Survey on Ensuring Equal Opportunity (Optional)

Applicants are asked to complete the Survey on Ensuring Equal Opportunity

for Applicants. The survey can be found at: http://www.americorps.gov/pdf/CNCS_2007_EO_survey.doc. Submission of the survey is *not* required.

G. Is this funding opportunity subject to intergovernmental review?

Applicants under this program are not subject to Executive Order 12372 "Intergovernmental Review of Federal Programs."

H. What are the funding restrictions?

Budget Requirements

Applicants must submit a proposed first year budget that includes both Federal and match funding as part of their application. If an application is selected for award, CNCS will determine the final amount of the award of Federal funds, and will negotiate a final budget. Upon award, compliance with the approved budget will be a material term and condition of the cooperative agreement with the Social Innovation Fund intermediary.

Proposed and final budgets may only include allowable costs as defined in the applicable cost principles for the award recipient—

- 2 CFR Part 220—Cost Principles for Educational Institutions (OMB Circular A-21).
- 2 CFR Part 225—Cost Principles for State, Local and Tribal Governments (OMB Circular A-87).
- 2 CFR Part 230—Cost Principles for Non-Profit Organizations (OMB Circular A-122).

Applicants who have not previously applied for Federal grant funds should understand that "allowable costs" under Federal awards do not necessarily include all costs that the organization will incur in order to perform their awards. For example, the costs of raising funds in order to meet the nonfederal share of the budget ("matching funds") are not allowable costs under OMB cost principles. The cost principles implement long standing government-wide policy decisions on the use of Federal grant funds and applicants should ensure that they are fully aware of requirements in the applicable OMB circular while preparing their budgets.

The proposed and final budgets may only include actual expenditures by the applicant organization. **The value of any in-kind goods or services provided to the applicant cannot be included in the proposed or final budgets.** The budgets will allocate allowable costs to either the Federal or non-Federal share of the total budget. At least 80 percent of the Federal share must be awarded to subgrantees; the balance may go toward

the intermediary's program support costs, including evaluation, knowledge management, and Social Innovation Fund implementation.

The non-Federal share of the budget must equal or exceed the Federal share of the budget (this implements the dollar-for-dollar cash match requirement). There is no requirement that the non-Federal share of the budget "mirror" or be allocated on the same basis as the Federal share of the budget. However, CNCS is particularly interested in applicants that raise additional dollars to be provided to the subgrantees, and in applicants that propose to award the majority of their matching funds to subgrantees through their competitive subgrant selection process.

As described in the OMB cost principles, applicant budgets (other than the amounts budgeted for subgrants) will include a combination of direct or indirect costs. Applicants with approved indirect cost rates for Federal grants must use those rates for any indirect costs they include in their budgets. CNCS will work with applicants selected for award who do not have approved Federal indirect cost rates to help them develop and obtain approval for their rates.

Matching Funds

The non-Federal share of the budget represents the dollar-for-dollar matching funds requirement under this *Notice*. Any organization that receives an award under this Notice is responsible for securing the necessary matching funds. Matching funds may come from State, local, or private sources, which may include State or local agencies, businesses, private philanthropic organizations, or individuals. Federal funds, including Federal block grants being distributed by State or local governments, may not be used towards the match requirement, except under very specific circumstances.

Additionally:

- If the applicant is an eligible partnership that includes a State Commission or a local government office, the State or local government involved must provide not less than 30 percent and not more than 50 percent of the matching funds.
- CNCS is particularly interested in applicants that demonstrate that Federal funds are generating additional or new private sector funds.
- CNCS is also particularly interested in applicants that present both a strong capacity to raise additional dollars to be provided to subgrantees, and a serious commitment to share the fundraising burden for their subgrantees.

I. Where should match verification documents be submitted?

Social Innovation Fund applicants must demonstrate the ability to meet 50 percent of their cash match requirement at the time of the application. Signed letters verifying match, as well as all other required documentation, can be sent via e-mail to Social_Innovation_FundApplication@cns.gov or via overnight carrier (non-U.S. Postal Service because of security-related delays in receiving mail from the U.S. Postal Service) to the following address: Corporation for National and Community Service, ATT: Office of Grants Policy and Operations/Social Innovation Fund Application, 1201 New York Avenue, NW., Washington, DC 20525.

When submitting match verification by e-mail, applicants should reference their application ID and organization name in the subject line of their e-mail. Match verification, as well as all other documentation must be received by the deadline on XXXX, 5 p.m. Eastern Time. Submission of evidence of match by the application deadline is a compliance criterion.

In the FY 2011 Social Innovation Fund award competition, CNCS will not reduce the match requirement for applicants that will be serving significantly philanthropically underserved communities.

Part 2. Application Narrative Guidelines

The following guidelines should be used to draft the narrative section of the application. These instructions form the basis for the review criteria and, along with the eligibility criteria, will be used by reviewers to evaluate your application.

A. What are the character limits for the narrative section?

For the entire narrative section, the maximum character limit is 75,000 or approximately 55 double-spaced pages using a 12-point font. We recommend the following character limit disbursements for each component:

- *Executive Summary*: Up to 4,500 characters or approximately 3 double-spaced pages, 12-point font.
- *Program Design*: Up to 31,500 characters or approximately 22.5 double-spaced pages, 12-point font.
- *Organizational Capacity*: Up to 24,500 characters or approximately 17.5 double-spaced pages, 12-point font.
- *Cost-Effectiveness and Budget Adequacy*: Up to 14,000 characters or approximately 10 double-spaced pages, 12-point font.

Please note that character limits include spaces. When drafting narrative

responses, we recommend using word processing software that will check spelling and count characters. Use only uppercase letters for all section headings and other information you would like to highlight in your narrative. Bold face, bullets, underlines, or other types of formatting, charts, diagrams, and tables will not copy into eGrants.

B. What should be included in the Executive Summary?

The Executive Summary should be completed using the following guide. Executive summaries for all applications considered for funding will be made public and posted to CNCS's Web site. Executive summaries will be used in the initial eligibility review to assess applicants' status as: (1) An existing grantmaking institution or an eligible partnership; and (2) to confirm its identification as either a geographically-based or issue-based Social Innovation Fund.

Title:

For the title of your Executive Summary, applicants should use the name of the sole or lead intermediary (if an eligible partnership)

Contents:

Applicants should provide a summary of the proposed program including the following:

- Basic Information:
 - Demonstrate that the applicant is an existing grantmaking institution or eligible partnership;
 - Identify as either a geographically-based Social Innovation Fund or issue-based Social Innovation Fund;
 - Identify priority issue area(s) of focus;
 - Identify key measurable outcomes your program will improve;
 - Identify specific local geographic areas where subgrantees are likely to be located (if applying as an issue-based Social Innovation Fund);
 - Identify key implementation partners (if you are applying as an eligible partnership, **clearly identify** the other members of your partnership);
 - Identify the grant amount you are requesting and your proposed grant period; and
 - Identify the key sources of match you have secured.
- Project Overview:
 - Provide an overview of your proposed program and the need(s) your program will meet;
 - Describe the specific issue area(s) you will address and the measurable outcomes you propose to improve;
 - Provide an overview of your proposed competitive subgrant selection process and what you hope to

- achieve, including how you plan to use evidence of effectiveness to identify and select subgrantees;
- Describe your track record of using rigorous evidence to select grantees; validate potentially effective programs and practices, and support and evaluate the replication and expansion of grantees;
- Describe what support and assistance you will provide selected subgrantees in terms of operations, performance measurement, and evaluation; and
- Identify major sources of match you have secured.

C. What should be included in the Program Design section?

1. Goals and Objectives

In this section, applicants should identify and describe the key objectives of their Social Innovation Fund, as well as the theory of change and overall approach to selecting and supporting subgrantees they are proposing in order to achieve their objectives.

First, applicants must identify themselves as either a geographically-based Social Innovation Fund or an issue-based Social Innovation Fund, as defined in this *Notice*. For either type, your narrative should include additional information as noted below.

Geographically-Based Social Innovation Fund

The application must do the following:

- Describe the target community, State or region that you propose to serve;
- Describe the specific priority issue area(s) on which you propose to focus—*i.e.* Youth Development, Economic Opportunity, and/or Healthy Futures—and the statistical information that supports this focus;
- Provide statistics on the needs related to the issue area(s) within the specific local geographic area;
- Describe the specific measurable outcomes you propose to improve; and
- Describe the availability of relevant data and your approach to assess whether your investments caused improvement in the proposed measurable outcomes.

Issue-Based Social Innovation Fund:
The application must do the following:

- Describe the specific issue area on which you propose to focus—*i.e.* Youth Development, Economic Opportunity, and/or Healthy Futures;
- Describe the target geographies—*i.e.* communities, States or regions—which you are likely to serve and your rationale for selecting these particular geographies;

- Provide statistics on the needs related to the issue area within the geographic areas likely to be served, including statistics demonstrating that those geographic areas have a high need in the issue area;

- Describe the measurable outcomes related to the issue area you propose to improve; and

- Describe the availability of relevant data and your approach to assess whether your investments caused improvement in the proposed measurable outcomes.

Second, applicants must describe the theory of change relevant to their proposed program and the investment strategy they intend to employ. Applicants should convey an intentional approach to solving community problems through their subgrant investments and clearly explain (1) the types of organizations they will invest in and why, and (2) the value-added activities, including technical assistance or other services, they will provide their subgrantees in order to align them with the theory of change and achieve the desired outcomes.

2. Description of Activities

Subgranting

In this section of the narrative, applicants must describe the process by which they will identify and competitively select their nonprofit community organization subgrantees in their targeted geographies. Specifically, applicants must describe how their competitive subgrant selection process will ensure a portfolio of high-quality subgrantees, with particular attention to their level of evidence (preliminary required) and relationships with and proposed engagement of experts, leaders, and community stakeholders in relevant domains. Applicants should explain how their subgrant selection process meets the definition of a competitive subgrant competition as defined in this *Notice*. The plan should also include:

- The estimated number or range of subgrant awards that will be made;
- The estimated range of subgrant award amounts;

- A description of:
 - On what basis the amount of each subgrant award will be determined.

Please note: the Social Innovation Fund expects that the level of evidence demonstrated by subgrantees will be a key criterion, with larger sums being allocated to organizations with higher levels of evidence;

- How key subgrant eligibility criteria required by this Notice will be

determined (particularly the level of subgrantee evidence);

- The proposed review and selection process; and
- Who will review grant applications and how the process will ensure appropriate conflict of interest policies are in place.

Please note, the proposed subgrant plan and timeline must demonstrate that it can be completed within six months of grant award.

The proposed subgrant competitions should produce high-quality subgrantees that are innovative nonprofit community organizations serving low-income communities. These organizations should possess:

- A strong theory of change;
- Strong leadership and financial and management systems, including data management;
- A strong financial position, including funding diversity, the ability to meet the requirements for providing dollar-for-dollar matching funds, and the ability to sustain the initiative after the subgrant period concludes;
- Strong community relationships;
- A commitment to and track record of using data and evaluation for performance and program improvement;
- At least preliminary evidence of effectiveness, including a demonstrated track record of achieving specific measurable outcomes related to the measurable outcomes for the intermediary;
- Strong potential for and interest in replication or expansion;
- A well-defined plan for achieving specific measurable outcomes connected to the measurable outcomes for the intermediary, evaluation of program effectiveness, performance improvement, and replication or expansion; and
- A commitment to use grant funds to replicate, expand, or support their programs.

Please note that, in contrast to the FY 2010 Social Innovation Fund competition, pre-selected subgrantees will no longer be accepted. All subgrantees must be selected through the open competitive processes referenced in this *Notice*.

Technical Assistance and Support

Applicants must include in their application information describing how they will provide technical assistance and support (other than financial support) that will increase the ability of subgrantees to achieve their measurable outcomes, including performance measurement, evaluation, validation, and replication or expansion. Replication or expansion may happen in

various ways (including, for example, creating new sites or affiliating with another program to replicate an intervention) and in multiple contexts (including, for example, serving more people in a current geography or growing to new geographies). In this section of the narrative, you should:

- Describe your commitment to long-term relationships with subgrantees, including the process by which you establish shared short- and long-term goals and communicate and negotiate modifications;
- Describe your plan for subgrantee monitoring;
- Explain what resources and support you will provide to build subgrantee capacity in key areas, such as leadership development, financial management, data management, strategic planning, and communications;
- Describe how you will facilitate learning and improvement across your portfolio of subgrantees;
- Describe your proposed approach to supporting your subgrantees in achieving their match requirements and on-going sustainability; and
- Describe your proposed approach to accountability for subgrantees and yourself. Provide examples of and justification for potential subgrantee-level and intermediary-level metrics.

3. Use of Evidence

The Social Innovation Fund is one of several new Federal grant programs that place a significant emphasis on using evidence of program impact as a critical factor in funding decisions, with the goal of directing limited public resources toward more effective programs and increasing our knowledge about what works to get results in communities.

Intermediaries will need to demonstrate in their applications how they use evidence of program impact to select, invest in, validate and support the replication and expansion of their subgrantees. Across programs, issue areas, and regions, the available evidence of program effectiveness will necessarily vary, sometimes significantly. However, the best evidence will come from independent, well-designed studies using experimental and quasi-experimental designs, ideally from more than one site or with more than one population, that demonstrate the program has had a strong impact. Where these types of evidence are not available, the intermediaries will be expected to identify the existing levels of evidence of subgrantees and to use Social Innovation Fund resources to help validate the effectiveness of these

programs through ongoing performance measurement and evaluation. In addition, CNCS expects that the use of rigorous evidence will be part of the culture of the intermediary, and that, consequently, the intermediary will assess the impact of its own activities.

In this section of the narrative, you should:

- Describe situations in which your organization has applied evidence produced by rigorous evaluations in decision-making with respect to specific programs at either the preliminary, moderate, or strong levels;
- Describe the process your organization uses to incorporate evidence into the selection, investment, validation, and support of replication, and expansion of your grantees;
- Offer specific examples of how your organization has used rigorous evidence to drive program improvement and increase the base of evidence of what works;
- Describe the study or studies that generated the evidence and the evidence that was derived from the evaluation(s), and provide Web links to recent published or unpublished full report(s) (preferably, the reports will include design and methodology documentation—links to executive summaries or journal articles are not sufficient);
- Describe your plan for using evidence, data, and evaluation tools to:
 - Select and invest in subgrantees.
 - Validate the effectiveness of grantees.
 - Support and monitor the replication and expansion of subgrantees.
 - Achieve measurable outcomes.
- Describe which level of evidence (defined in section II of this *Notice*) you will use for subgrantee selection and/or which level of evidence and impact you will assist your subgrantees in achieving (*please note*: all subgrantees must have plans in place to achieve at least moderate levels of evidence);
- Describe how you will help your subgrantees invest in improving performance improvement and achieving at least moderate levels of evidence through appropriate data collection and evaluation;
- Describe how you will help grantees design performance measurement and evaluation systems appropriate to the maturity of the program (*i.e.*, different approaches for validation versus replication or scaling up); and
- Describe your track record of sharing and integrating lessons from evaluation (both positive and negative findings) across grantees.

4. Community Resources

This section is not applicable to the Social Innovation Fund competition. Applicants should leave this blank.

D. What should be included in the Organizational Capacity section?

1. Ability To Provide Program Oversight

Applicants must establish that they have the skills and capacities required to effectively manage programs of the nature they are proposing, including a strong track record of selecting, investing in and supporting the replication and expansion of grantees.

- Describe your organization's experience in the proposed priority issue area(s) of activity and your experience operating and overseeing programs comparable to the ones proposed, including specific examples of your prior accomplishments and outcomes in these area(s);
- Provide specific examples of the effectiveness of your investment approach, including the range of replications or expansions that you have overseen or sponsored;
- Describe the kinds of resources (e.g., data systems; staff) you have available to assist with subgrantee replication or expansion;
- Describe your capacity to implement the evaluation plan you have proposed;
- Describe your ability to support and oversee multiple programs at different locations;
- Describe your organization's management and staff structure and how the Board of directors, administrators, and staff members will be used;
- Identify the key program positions within your organization relevant to your proposed grant program. Describe the relevant background and experience of key staff members and their respective roles, or your plans to recruit, select, train, and support additional staff, and their proposed roles;
- Describe your experience monitoring subgrantees for site compliance against programmatic requirements; and

- Describe your capacity to manage a Federal grant and to provide on-site monitoring of the financial and other systems required to administer a Federal grant by a subgrantee.

2. Ability To Provide Financial Oversight

Applicants should describe the extent to which your organization, or proposed partnership, has key personnel with the knowledge, skills, abilities, and experience to provide fiscal oversight of subgrantees. Additionally, applicants should describe any specific experience in providing fiscal oversight of subgrantees of Federal funds.

In this section of the narrative you should:

- Describe the experience and infrastructure your organization has in managing grants from other entities;
- Identify your current organizational budget;
- Identify what percentage of the budget would this grant represent and address the implications for your organization; and
- Describe how you will ensure compliance with Federal requirements.

E. What should be included in the Cost-Effectiveness and Budget Adequacy section?

1. Budget and Program Design

In this narrative section, applicants should:

- Demonstrate how your program has or will obtain diverse non-Federal resources for program implementation and sustainability;
- Discuss the adequacy of your budget to support your program design including how it is sufficient to support your program activities and how it is linked to your desired outputs and outcomes. Specifically, describe and quantify in detail the costs associated with your proposed competitive subgrant selection process, program evaluation plans, and technical assistance to subgrantees, including costs that may be paid for with resources other than Federal or matching funds; and

- If program costs will be higher because you are proposing to serve areas that are significantly philanthropically underserved, please explain.

2. Match Sources

At the time of submission of the application, applicants must demonstrate either cash-on-hand or commitments (or a combination thereof) toward meeting 50 percent their first year matching funds.

Applicants may demonstrate cash-on-hand by a statement from the Chief Financial Officer or other officer that the organization has established a reserve of otherwise uncommitted funds for the purposes of performing a Social Innovation Fund grant. Applicants may demonstrate commitments by a dated and signed letter from each donor/foundation, indicating the amount of funds committed for the specific use of supporting the Social Innovation Fund grant. Such a letter must contain a firm commitment to provide the applicant the stated funding upon award of a Social Innovation Fund grant by CNCS. Please *see* the section in this *Notice* titled "Additional Documents—Match Verification" for further guidance on how to submit this documentation.

In this narrative section, applicants should:

- Include a discussion of the additional commitments you plan to secure, and how you will secure them. In the budget, you must list the sources of your match funds; and
- Describe the extent to which you propose to provide matching funds in excess of the minimum requirement.

V. Application Review Information

A. What are the Selection Criteria for these grants?

In evaluating applications for funding, reviewers will assess program design, organizational capacity, and cost-effectiveness and budget adequacy. The weights assigned to each category and sub-category are listed in Table 1 below. Reviewers will assess application narratives against these Selection Criteria and weight them accordingly.

TABLE 1—APPLICATION REVIEW CRITERIA

| Category | Percentage | Sub-categories |
|--|------------|---|
| Part I. Program Design | 25 | Goals and Objectives. Description of Activities. |
| Part II. Organizational Capacity | 25 | Use of Evidence. |
| Part III. Cost-Effectiveness and Budget Adequacy | 30 | Ability to Provide Program Oversight. Ability to Provide Fiscal Oversight. |
| | 20 | Budget and Program Design. Match Sources. |

All applications will first be reviewed against the compliance and initial eligibility criteria outlined in Section III. If this review shows that an application does not meet any one of the four criteria specified, the application will not be further reviewed. All eligible applications will be fully reviewed and assessed based on both the additional eligibility and application review criteria.

In reviewing applications submitted in response to this *Notice*, CNCS may consider, with respect to any particular proposal, the factors and information identified in 45 CFR 2522.470.

Part I. Program Design (50%)

In assessing Program Design, expert reviewers will examine the degree to which the applicant clearly describes and convincingly addresses the narrative guidelines provided in section V. Their analysis will include the following:

A. Goals and Objectives

To what extent did the applicant:

- Clearly identify the target community or geographies which they will serve and the target issue(s) their programming will focus on?
- Provide persuasive evidence (*i.e.* statistical information) as to the identified need within the geographic area(s) listed?
- Make a persuasive case for the need related to the issue area(s) identified (*i.e.* providing statistical information)?
- Clearly identify specific measurable outcomes that will be achieved through their proposed program?
- Make a compelling case for their ability to successfully support the focus, goals, and approach they propose?

B. Description of Activities

1. Subgranting

To what extent did the applicant:

- Provide a clear and comprehensive plan for carrying out a competitive subgrant selection process?
- Clearly explain how they will identify potential grantees that meet at least the preliminary evidence of effectiveness standard?
- Describe a subgrant plan that has a reasonable chance of success at identifying potential subgrantees that meet the requirements described in section IV of this *Notice*?

2. Technical Assistance and Support

To what extent did the applicant:

- Provide a compelling plan for providing technical assistance and support for their selected subgrantee portfolio?

- Describe a clear plan for supporting subgrantee capacity development including the acquisition of matching funds and rigorous program evaluation?
- Provide a sound plan for monitoring subgrantees?

C. Use of Evidence

To what extent does the applicant:

- Demonstrate a strong track record of using evidence in past investments?
- Describe how they use evidence to drive program improvement (including citations of past studies)?
- Present persuasive evidence of experience using evidence in their past grantmaking activities?
- Provide a persuasive plan for using evidence, data, and evaluation tools to identify and select their subgrantees having at least preliminary levels of evidence?
- Identify the level of evidence they will use for subgrantee selection and/or which level of evidence or impact subgrantees will achieve (note: subgrantees must have plans in place to achieve at least moderate levels of evidence)?
- Provide a clear plan for assisting subgrantees to reach this level of evidence or impact through successful data collection and evaluation systems?
- Describe how they will help grantees design performance measurement and evaluation systems appropriate to the maturity of the program (*i.e.*, different approaches for validation versus replication or scaling up)?

D. Community Resources

Not applicable.

Part II. Organizational Capacity (30%)

In assessing the organizational capacity section, expert reviewers will assess to what extent does the applicant:

- Describe a sound organizational structure including experienced staff?
- Cite specific examples of the effectiveness of their past investment approach?
- Have experience or the capacity to successfully implement their proposed program (*i.e.* subgrant plan, technical assistance, and monitoring)?
- Have experience or capacity to successfully implement their proposed evaluation plan?
- Have experience or the capacity to successfully implement a Federal grant?

Part III. Cost-Effectiveness and Budget Adequacy (20%)

A. Budget and Program Design

In evaluating the cost effectiveness and budget adequacy section, expert reviewers will assess:

- Whether your program is cost-effective based on:

- The extent to which your program demonstrates diverse, non-Federal resources for program implementation and sustainability;
- The extent to which you are proposing to provide more than the minimum required share of the costs of your program; and
- Whether the reasonable and necessary costs of your program or project are higher because you are proposing to serve areas that are significantly philanthropically underserved.
- Whether your budget is adequate to support your program design.

B. Match Sources

At the time of submission of the application, applicants must demonstrate either cash-on-hand or commitments (or a combination thereof) toward meeting 50 percent of their first year matching funds, based on the amount of Federal grant funds applied for.

B. What additional considerations will CNCS take into account during the review process?

In selecting applicants to receive awards under this *Notice*, CNCS will endeavor to include:

- Applicants who propose to serve areas that are significantly philanthropically underserved (defined in this *Notice* as rural, low-income communities), and
- A diverse set of applicants, in terms of geography and priority issue area.

C. What are the stages in the review and selection process?

1. Compliance Review

Corporation staff will review all applications to determine compliance with match, deadline, and completeness requirements identified in Section III.A.1 of this *Notice*. Applications that are submitted by the deadline, that are complete, and have demonstrated that they meet the match requirement will advance to the Initial Eligibility Review.

2. Initial Eligibility Review

Corporation staff will review all compliant applications to determine that they are submitted by eligible organizations, and that they have adequately identified what type of Social Innovation Fund program is being proposed (*i.e.* issue-based or geographic-based). This review will not include reading the entire application. Applicants that meet these two eligibility criteria (as described in

Section III.A.2 of this *Notice*) will move on to Expert Review.

3. Expert Review

Expert reviewers will assess applications based on the Program Design criteria. Each application will be reviewed by at least three expert reviewers. Reviewers will be recruited and selected on the basis of demonstrated expertise in social innovation, scaling and/or replicating successful programs, and program evaluation. All expert reviewers will be screened for conflicts of interest or possible impairments to objectivity.

4. Post Expert Review Quality Control (Quality Control)

Quality Control is designed to ensure that every eligible application receives full and fair consideration in the review process. After the expert reviewers complete their assessment, staff will review the results to determine whether any application should receive a Quality Control assessment. This additional level of review may be used for applications for which there are significant anomalies in the results from the expert review. Applications identified for additional assessment will be reviewed by an external Quality Control reviewer. The Quality Control reviewer provides an assessment of the application's key strengths and weaknesses, and compares his or her findings to that of the original expert reviewers.

5. Selection of Applications for Internal Review

Upon completing Expert Review, Corporation staff will determine which applications advance to Internal Review. Applications will advance to Internal Review based on the results of the Expert Review as well as the selection criteria specified in section 198K(h) of the Act, including:

- Including programs that propose to serve significantly philanthropically underserved communities;
- Selecting a geographically diverse set of grantees; and
- Taking into account broad community perspectives and support.

6. Internal Review

Corporation staff will assess Program Design, particularly focusing on: Strength of relationships and collaborations, opportunity for scale, potential to impact public discussion, and the rigor of sophistication of evidence and evaluation; Organizational Capacity; and Cost Effectiveness and Budget Adequacy. Following staff assessment, some applicants may

receive requests to provide clarifying information. Clarification information is used by Corporation staff in making final recommendations. A request for clarification does not guarantee a grant award. Failure to respond to requests for information in a timely fashion will result in the removal of applications from consideration.

Corporation staff will determine which applications to recommend for selection based on the results of Expert Review, Internal Review, and Clarification; and the priorities, balancing characteristics, additional considerations, and strategic characteristics listed above.

7. Selection

The final portfolio will be selected based on staff recommendation, and considering overall quality, priorities, balancing characteristics, additional considerations, and strategic characteristics listed above.

E. What feedback will applicants receive?

Following grant awards, each applicant will receive the results of expert and, if applicable, internal reviews pertaining to their application.

VI. Award Administration Information

A. Award Notices

CNCS will award cooperative agreements following the grant selection announcement. CNCS anticipates announcing the results of this competition by August 2011. The government is not obligated to make any award as a result of this *Notice*.

B. Administrative and National Policy Requirements

The Notice of Grant Award (NGA) will be subject to and incorporate the requirements of section 198K of the National and Community Service Act of 1990, as well as other applicable sections of the Act. The NGA will also incorporate the approved application and budget as part of the binding commitments under any award. Awardees will be subject to the following (as applicable):

- 2 CFR Part 175—Award term for trafficking in persons.
- 2 CFR Parts 180 and 2200—Nonprocurement Debarment and Suspension.
- 2 CFR Part 215 and 45 CFR Part 2543—Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations (OMB Circular A-110).

- 2 CFR Part 220—Cost Principles for Educational Institutions (OMB Circular A-21).

- 2 CFR Part 225—Cost Principles for State, Local and Tribal Governments (OMB Circular A-87).

- 2 CFR Part 230—Cost Principles for Non-Profit Organizations (OMB Circular A-122).

- 45 CFR Part 2541—Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments.

- 45 CFR Part 2545—Governmentwide Requirements for Drug-Free Workplace (Financial Assistance).

- 45 CFR Part 2555—Nondiscrimination on the Basis of Sex in Education Programs or Activities Receiving Federal Financial Assistance.

- The Single Audit Act (31 U.S.C. Chapter 75) and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations (Available at: <http://www.whitehouse.gov/omb/assets/omb/circulars/a133/a133.pdf>).

C. Use of Materials

To ensure that materials generated with Corporation funding are available to the public and readily accessible to grantees and sub-grantees, CNCS reserves a royalty-free, nonexclusive, and irrevocable right to obtain, use, modify, reproduce, publish, or disseminate publications and materials produced under the award, including data, and to authorize others to do so.

D. Reporting Requirements

Award recipients for this competition must identify the critical outcomes of the work, indicators of success in this work, and how progress can be judged or measured. The recipients will be required to report semi-annually on agreed upon performance measures. Specific guidance on the collection of data against these standardized measures will be provided upon award. CNCS may also require an independent assessment of grantee performance.

In addition, CNCS expects intermediaries to hold subgrantees accountable for their progress against agreed-upon indicators of success. The intermediaries will be asked to report subgrantee performance information to CNCS.

E. Performance Progress Reports (PPR)

A semi-annual narrative progress report must be submitted using CNCS's Web-based grants management system, eGrants, no later than 30 days after the close of each reporting period. The report will include:

- Budget report for the completed budget period.
- Narrative analysis of the budget report, explaining differences between budgeted and actual activities and costs by funding source.
- Progress towards performance goals and any supporting data and methodology.
- Analysis of sub-application progress and performance measures.
- Discussion of any problems observed or experienced and recommended solutions.

F. Federal Financial Reports

Federal Financial Reports (FFRs) must be submitted semi-annually. The reports are cumulative and must be submitted on CNCS's Web-based grants management system, eGrants, no later than 30 days after the close of each reporting period.

G. Final Reports

In addition to submission of required semi-annual reports, the award recipient completing an agreement period will be required to submit a final report that is cumulative over the entire award period and consistent with the close-out requirements of CNCS's Office of Grants Management. The final report is due 90 days after the end of the agreement.

In lieu of the last semi-annual FFR, a final FFR must also be submitted. The final FFR is due 90 days after the end of the agreement.

H. Other Data-Collection Requirements

CNCS will require Social Innovation Fund grantees to develop final, detailed plans for selecting their subgrantees and for the evaluation of subgrantees. Final, detailed plans will need to be approved by CNCS.

The subgrant selection plan will include the following:

- The estimated number or range of subgrant awards that will be made;
- The estimated range of subgrant award amounts;
- A description of:
 - How key subgrant eligibility criteria required by this Notice will be determined (particularly the level of subgrantee evidence);
 - The proposed review and selection process; and

- Who will review grant applications and how the process will ensure appropriate conflict of interest policies are in place.

The evaluation plans will address key questions, such as the following:

- What are the specific questions the evaluation(s) intends to answer?
- For grantees proposing an impact study, what type of research design (e.g., randomized control trial, quasi-experimental) do you hope to conduct? Why is this evaluation design appropriate for the subgrantees' stage of development, and what useful information do you hope to gain?
- What is the timeline and estimated budget for the evaluation?
- Describe who will conduct the evaluations and the process you will employ to maintain independence and ensure high quality reports.

Award recipients must also:

- Identify and document effective practices to addressing critical community challenges in order to share those lessons broadly.
- Meet as necessary with the cognizant program officer, or other staff or consultants.

VI. Agency Contacts

This Notice is available at <http://www.nationalservice.gov/about/serveamerica/innovation.asp>. The TTY number is 202-606-3472. For further information or for a printed copy of this Notice, call (202) 606-6745. Or send an e-mail to sifapplication@cns.gov.

VII. Other Information

A. CNCS will host technical assistance calls and/or workshops to answer questions from potential applicants about this funding opportunity, including submitting the application through eGrants, CNCS's Web-based application system. Applicants are strongly encouraged to participate in these sessions. The first call will be held on February XXX at 1 p.m. Eastern Time. Call-in information for this technical assistance call and additional technical assistance calls will be available on CNCS's Web site at: <http://www.nationalservice.gov/about/serveamerica/innovation.asp>.

B. For additional information on the Edward M. Kennedy Serve America Act, go to: http://www.nationalservice.gov/pdf/09_0331_recovery_summary.pdf.

C. Public Burden Statement: The Paperwork Reduction Act of 1995 requires CNCS to inform all potential persons who are to respond to this collection of information that such persons are not required to respond unless it displays a currently valid OMB control number. (See 5 CFR 1320.5(b)(2)(i)). This collection is approved under OMB Control #: 3045-0129 (CNCS Universal Application, Expiration Date: 11/30/2011).

Dated: December 22, 2010.

Paul Carttar,

Director, Social Innovation Fund.

[FR Doc. 2010-32789 Filed 12-28-10; 8:45 am]

BILLING CODE 6050-28-P

DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal No. 10-62]

36(b)(1) Arms Sales Notification

AGENCY: Department of Defense, Defense Security Cooperation Agency.

ACTION: Notice.

SUMMARY: The Department of Defense is publishing the unclassified text of a section 36(b)(1) arms sales notification. This is published to fulfill the requirements of section 155 of Public Law 104-164 dated 21 July 1996.

FOR FURTHER INFORMATION CONTACT: Ms. B. English, DSCA/DBO/CFM, (703) 601-3740.

SUPPLEMENTARY INFORMATION: The following is a copy of a letter to the Speaker of the House of Representatives, Transmittal 10-62 with attached transmittal, policy justification, and Sensitivity of Technology.

Dated: December 23, 2010.

Morgan F. Park,

Alternate OSD Federal Register Liaison Officer, Department of Defense.

BILLING CODE 5001-6-P