

Memo



May 14, 2009

To: COF Members
From: COF Public Policy Department
Re: HHS Makes Funding Available to Strengthen Non-Profits

The American Recovery and Reinvestment Act of 2009 (ARRA) was signed into law by President Barack Obama on February 17, 2009. The \$787.2 billion economic recovery bill was designed to address our nation's financial crisis. The bill included funding for education, the arts, and nonprofit capacity building programs.

On Monday, May 11 the Department of Health and Human Services (HHS) announced the availability of grants worth \$50 million from the Strengthening Communities Fund (SCF) to strengthen nonprofit and faith-based organizations that aid families and communities who are struggling in the current economic downturn. The grant program will be administered by the Administration for Children and Families (ACF), Office of Community Services. Applicants interested in applying for funds should visit <http://www.acf.hhs.gov/grants/recovery.html>. The application deadline is July 7, 2009.

The Strengthening Communities Fund is divided into two parts:

I. The Nonprofit Capacity Building Program (NCBP)

The nonprofit capacity building program will make one-time, two-year awards of up to \$1 million to lead organizations that will use the funds to build the capacity of nonprofit organizations in distressed communities to address the broad economic recovery issues present in their communities. Lead organizations will provide technical assistance, and training to grassroots organizations in five key areas: 1) organizational development, 2) program development, 3) collaboration and community engagement, 4) leadership development, and 5) evaluation of effectiveness. Funds are to be used for capacity-building activities to result in improved services, and are not for direct provision of services. Using a competitive process that has been approved in advance by ACTS, lead organizations will also regrant at least 55 percent of the federal grant to the nonprofits selected for assistance.

A lead organization is the organization that will provide the training, technical assistance, and grants to partner organizations – the grassroots service providers. Lead organizations should have experience and a proven track record in providing capacity building training, technical assistance and/or competitive financial assistance to smaller grassroots organizations. Lead organizations should also possess a “cultural sensitivity that establishes credibility with its target audience of nonprofit organizations in the geographic area it selects.” Ideal candidates will engage AmeriCorps*VISTA volunteers in their programs and bonus points will be given to applicants demonstrating that they are AmeriCorps*VISTA sponsors. Nonprofits, governmental entities and businesses are all eligible to apply for funding, but ACS will give preference to applications from nonprofits. Priority will be given to applicants that serve low-income populations and that will

provide additional financial assistance to partners with bonus points to those that regrant 60 percent or more of the federal award.

Well-Defined Geographic Location is defined as “the service area of a lead organization's project. An applicant must describe this service area as part of its application. In all but rare cases, lead organizations will be physically located in the geographic area they propose to serve.

Distressed Community is defined as a neighborhood or other well-defined geographic community with an unemployment rate and/or poverty rate *greater than* the State or national rate.

Visit the NCPB grant page (<http://www.acf.hhs.gov/grants/open/HHS-2009-ACF-OCS-SI-0091.html>) for additional information.

II. The State, Local and Tribal Government Capacity Building Program

This program will make one-time, two-year awards of up to \$250,000 to state, city, county and Indian/Native American tribal governments. Governments will use these grants to strengthen nonprofit organizations and increase the nonprofits' involvement in projects that help turn our economy around.

Non-profits are eligible to receive these funds, but they must receive official authorization to apply on behalf of the eligible governmental entity through a statute, resolution, or executive order. Preference for this funding is being given to State and Tribal Governments or their authorized designee. The purpose of this funding program is to ensure that governments are using the non-profit community to reach disadvantaged and hard to reach populations with the information about benefits and services available through the ARRA.

Grantees will use program funds to provide free capacity building services to nonprofit organizations, such as a beneficiary benefits clearinghouse, outreach and education, facilitation of partnerships between and among nonprofits and other government agencies, and training and technical assistance to improve awareness of and access to ARRA efforts/benefits and to improve organizational capacity to be active participants in ARRA efforts/benefits. Grantees will also use program funds to build their own capacity to provide these services to nonprofits. Visit the HHS announcement page (<http://www.acf.hhs.gov/grants/open/HHS-2009-ACF-OCS-SN-0092.html>) for this grant.

Grantees for both programs must provide at least 20 percent of the total approved cost of the project from non-federal funds. This match may be met by cash or in-kind contributions, but some level of cash contribution is encouraged.

HHS Pre-Application Teleconference

A pre-application teleconference conducted by HHS will be offered in advance of the closing date for this announcement. The purpose of this teleconference is to review the program announcement. For information on the day and time for this pre-application teleconference, please visit <http://www.acf.hhs.gov/programs/ocs/> and click on "Strengthening Communities Fund."