

(3) If stipend costs are requested, a statement for each grant year of the estimated number of individuals to whom stipends will be provided and the length of time for which the stipend support will be provided. If other trainee costs are requested, they must be separately stated and justified.

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§ 64.5 How are grant applications evaluated?

The Secretary shall evaluate applications through the officers and employees, experts, consultants, or groups engaged by the Secretary for that purpose. The Secretary's evaluation will be for technical merit and shall take into account, among other pertinent factors, the significance of the project, the qualifications and competency of the project director and proposed staff, the adequacy of selection criteria for trainees for the project, the adequacy of the applicant's resources available for the project, and the amount of grant funds necessary for completion of its objectives.

§ 64.6 Awards.

(a) *Criteria.* Within the limits of available funds, the Secretary may award training grants to carry out those projects which:

(1) Are determined by the Secretary to be technically meritorious; and

(2) In the judgment of the Secretary best promote the purpose of the grant program as authorized by section 472 of the Act (42 U.S.C. 286b–3), the regulations of this part (see § 64.1), and address program priorities.

(b) *Project period.* (1) The notice of grant award specifies how long the Secretary intends to support the project without requiring the project to recompute for funds. This period, called the project period, will usually be for one to five years.

(2) Generally, the grant will initially be for one year and subsequent continuation awards will also be for one year at a time. A grantee must submit a separate application to have the support continued for each subsequent year. Decisions regarding continuation awards and the funding level of these awards will be made after consider-

ation of such factors as the grantee's progress and management practices, and the availability of funds. In all cases, continuation awards require a determination by the Secretary that continued funding is in the best interest of the Federal Government.

(3) Neither the approval of any application nor the award of any grant commits or obligates the Federal Government in any way to make any additional, supplemental, continuation, or other award with respect to any approved application or portion of an approved application.

(4) Any balance of federally obligated grant funds remaining unobligated by the grantee at the end of a budget period may be carried forward to the next budget period, for use as prescribed by the Secretary, provided a continuation award is made. If at any time during a budget period it becomes apparent to the Secretary that the amount of Federal funds awarded and available to the grantee for that period, including any unobligated balance carried forward from prior periods, exceeds the grantee's needs for that period, the Secretary may adjust the amounts awarded by withdrawing the excess.

§ 64.7 What other conditions apply?

(a) Grants awarded under this part are subject to the following conditions:

(1) The grantee may not materially change the quality, nature, or duration of the project unless the written approval of the Secretary is obtained prior to the change.

(2) The grantee must submit to the Secretary, in the manner prescribed by the Secretary, the name and other pertinent information regarding each individual who is awarded a stipend under a grant.

(b) The Secretary may impose additional conditions prior to the award of any grant under this part if it is determined by the Secretary that the conditions are necessary to carry out the purpose of the grant.

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§ 64.8 How may funds be used?

A grantee shall expend funds it receives under this part solely in accordance with the approved application and

budget, the regulations of this part, the terms and conditions of the grant award, and the applicable cost principles in subpart Q of 45 CFR part 74. The funds may not be expended for:

(a) Compensation for employment or for the performance of personal services by individuals receiving training and instruction; or

(b) Payments to any individual who does not meet the minimum qualifications for training and instruction established by the grantee and approved by the Secretary or who has failed to demonstrate satisfactory participation in the training in accordance with the usual standards and procedures of the grantee.

§ 64.9 Other HHS regulations that apply.

Several other regulations apply to grants under this part. These include, but are not necessarily limited to:

- 42 CFR part 50, subpart D—Public Health Service grant appeals procedure.
- 45 CFR part 16—Procedures of the Departmental Grant Appeals Board.
- 45 CFR part 74—Administration of grants.
- 45 CFR part 75—Informal grant appeals procedures.
- 45 CFR part 76—subparts A–F.
- Governmentwide debarment and suspension (nonprocurement) and requirements for drug-free workplace (grants).
- 45 CFR part 80—Nondiscrimination under programs receiving Federal assistance through the Department of Health and Human Services—effectuation of title VI of the Civil Rights Act of 1964.
- 45 CFR part 81—Practice and procedure for hearings under 45 CFR part 80 of this title.
- 45 CFR part 84—Nondiscrimination on the basis of handicap in programs and activities receiving or benefiting from Federal financial assistance.
- 45 CFR part 86—Nondiscrimination on the basis of sex in education programs and activities receiving or benefiting from Federal financial assistance.
- 45 CFR part 91—Nondiscrimination on the basis of age in HHS programs or activities receiving Federal financial assistance.
- 45 CFR part 92—Uniform administrative requirements for grants and cooperative agreements to state and local governments.

PART 64a—OBLIGATED SERVICE FOR MENTAL HEALTH TRAINEESHIPS

Sec.

64a.101 Purpose.

64a.102 To whom do these regulations apply?

64a.103 Definitions.

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AUTHORITY: Sec. 803, Pub. L. 96–398, 94 Stat. 1607–1608 (42 U.S.C. 242a).

SOURCE: 46 FR 39979, Aug. 5, 1981, unless otherwise noted.

§ 64a.101 Purpose.

This part establishes requirements to implement the service payback obligation of individuals who receive clinical traineeships in psychology, psychiatry, social work, or nursing (that are not of limited duration or experimental nature) under section 303 of the Public Health Service Act.

§ 64a.102 To whom do these regulations apply?

This part applies to any institution which receives a training grant under section 303 of the Public Health Service Act and to any individual who receives a stipend or other trainee allowances under such a grant for any period beginning on or after July 1, 1981, for clinical training in the field of psychology, psychiatry, nursing, or social work, except for training that is of a limited duration or experimental nature.

§ 64a.103 Definitions.

As used in this part:

Act means the Public Health Service Act as amended by Pub. L. 96–398.

Clinical traineeship means a stipend or other trainee allowances provided to an individual for clinical training in psychology, psychiatry, nursing, or social work, except for training that is of a limited duration or experimental nature, under a training grant authorized by section 303 of the Act.

Community Mental Health Centers Act means the Community Mental Health