

or whether it has financial support from the State or other sources.

(7) *Performance measures and project evaluation.* The application must provide unambiguous and quantifiable measures that will be used to evaluate the success and cost-effectiveness of the revolving fund in assuring adequate fuel supplies for eligible communities and for assessing the fuel supply projects financed. The grant announcement may establish additional required elements that must be addressed in the narrative proposal of the application package.

§ 1709.211 Submission of applications.

Completed applications must be submitted to RUS at the address specified in the grant announcement on or before the deadline specified in the grant announcement. Instructions for submittal of applications electronically will be established in the grant announcement. Late applications will be rejected.

§ 1709.212 Application review.

The Agency will review all applications to determine whether the applicant is eligible and whether the application is timely, complete and sufficiently responsive to the requirements set forth in the grant announcement to allow for an informed review. Failure to address any of the required evaluation criteria or to submit all required forms will disqualify the proposal. The Agency reserves the right to contact the applicant to clarify information contained in the proposal to resolve issues related to eligibility and the grant request. Applications that are timely, complete, and responsive will be forwarded for further evaluation. Applications that are late, incomplete, or non-responsive will be rejected.

§ 1709.213 Evaluation of applications.

(a) The Agency will establish one or more rating panels to review and rate the grant applications. The panels may include persons not employed by the Agency.

(b) The rating panel will evaluate and rate all complete applications that meet the eligibility requirements according to the evaluation and selection criteria and weights established in the

grant announcement. Panel members may make recommendations for conditions on grant awards to promote successful performance of the grant or to assure compliance with other Federal requirements.

(c) After all proposals have been evaluated and scored, the proposals, the rankings, recommendations, and comments of the rating panel will be forwarded to the Administrator.

§ 1709.214 Administrator's review and selection of grant awards.

(a) The final decision to make a grant award is at the discretion of the Administrator. The Administrator shall consider the applications, the ranking, comments, and recommendations of the rating panel, and any other pertinent information before making a decision about which, if any, applications to approve, the amount of funds awarded, and the order of approval. The Administrator reserves the right not to make any awards from the applications submitted. When the Administrator decides not to make any awards, the Administrator shall document in writing the reason for the decision.

(b) Decisions on grant awards will be made by the Administrator after consideration of the applications, the rankings and recommendations of the rating panel. The Administrator may elect to award less than the full amount of grant requested by an applicant.

(c) The applications selected by the Administrator will be funded in rank order to the extent of available funds.

§ 1709.215 Consideration of unfunded applications under later grant announcements.

The grant announcement may provide that all eligible but unfunded proposals submitted under preceding announcements may also be considered for funding. The announcement shall describe whether and how prior applicants may request reconsideration and supplement their application material.

§ 1709.216 Evaluation criteria and weights.

Unless supplemented in the grant announcement, the criteria listed in this

§ 1709.217

section will be used to evaluate proposals submitted under this program. The total points available and the distribution of points to be awarded per criterion will be identified in the grant announcement.

(a) *Program Design.* Reviewers will consider the financial viability of the applicant's revolving fund program design, the proposed criteria for establishing eligible projects and borrowers, and how the program will improve the cost effectiveness of bulk fuel purchases in eligible areas. Programs demonstrating a strong design and the ability to improve cost effectiveness will receive more points than applications that are less detailed.

(b) *Assessment of needs.* Reviewers will award more points to programs that serve or give priority to assisting more costly areas than those that serve populations that suffer from less severe physical and economic challenges.

(c) *Program evaluation and performance measures.* Reviewers may award more points to performance measures that are relevant to the project objective and quantifiable than to performance measures that are more subjective and do not incorporate variables that reflect a reduction in fuel cost or improvement in service.

(d) *Demonstrated experience.* Applicants may be awarded points for relevant experience in administering revolving fund or other comparable programs.

(e) *Rurality.* Reviewers may award more points to proposals that give priority in access to funds to communities with low population density or that are located in remote eligible areas than to proposals that serve eligible, but less remote and higher population density communities.

(f) *Cost sharing.* Although cost-sharing is not required under this program, projects that evidence significant funding or contributed property, equipment or other in kind support for the project may be awarded points for this criterion where the aggregate value of these contributions exceed 25 percent of the annual funding operations.

(g) *Additional priority considerations.* The grant announcement may provide for additional points to be awarded to projects that advance identified Agen-

7 CFR Ch. XVII (1-1-08 Edition)

cy priority interests under this program.

§ 1709.217 Grant award.

(a) *Notification of applicants.* The Agency will notify all applicants in writing whether or not they have been selected for a grant award.

(b) *Letter of conditions.* The Agency will notify a selected applicant in writing, setting out the amount of grant approved and the conditions under which the grant will be made.

(c) *Applicant's intent to meet conditions.* Upon reviewing the conditions and requirements in the letter of conditions, the selected applicant must complete, sign and return the Agency's "Letter of Intent to Meet Conditions," or, if certain conditions cannot be met, the applicant may propose alternate conditions to the Agency. The Agency must concur with any changes proposed to the letter of conditions by the applicant before the application will be further processed.

(d) *Grant agreement.* The Agency and the grantee must execute a grant agreement acceptable to the Agency prior to the advance of funds.

§§ 1709.218-1709.300 [Reserved]

Subparts D-F [Reserved]

Subpart G—Recovery of Financial Assistance Used for Unauthorized Purposes

§ 1709.601 Policy.

This subpart prescribes the policies of the Rural Utilities Service (RUS) when it is subsequently determined that the recipient of an Assistance to High Energy Cost Rural Communities program loan or grant was not eligible for all or part of the financial assistance received or that the assistance received was used for unauthorized purposes. It is the policy of the Agency that when assistance under this part has been received by an ineligible recipient or used for unauthorized purposes the Agency shall initiate appropriate actions to recover from the recipient the sum that is determined to be ineligible or used for unauthorized purposes, regardless of amount, unless any applicable statute of limitation