



DEFINITION OF TERMS:

The following definitions apply to all OCS activities, partnerships, and grant projects:

- **Beneficiaries**--Low-income individuals (as defined in the most recent annual revision of the Poverty Income Guidelines published by the U.S. Department of Health and Human Services) who receive direct benefits and low-income communities that receive direct benefits.
- **Budget Period**--The time interval into which a grant period is divided for budgetary and funding purposes.
- **Business Start-up Period**--Time interval within which the grantee completes preliminary project tasks. These tasks include but are not limited to assembling key staff, executing contracts, administering lease-out or build-out of space for occupancy, purchasing plant and equipment and other similar activities. The Business Start-Up Period typically takes three to six months from the time OCS awards the grant or cooperative agreement.
- **Cash contributions**--The recipient's cash outlay, including the outlay of money contributed to the recipient by the third parties.
- **Community Development Corporation (CDC)**--A private, non-profit corporation governed by a board of directors consisting of residents of the community and business and civic leaders, which has as a principal purpose planning, developing, or managing low-income housing or community development activities, may include American Indian and Native Alaskan and faith-based organizations that are CDCs.
- **Community Economic Development (CED)**--A process by which a community uses resources to attract capital and increase physical, commercial, and business development, as well as job opportunities for its residents.
- **Construction projects**--Projects that involve the initial building or large scale modernization or permanent improvement of a facility.
- **Cooperative Agreement**--An award instrument of financial assistance when substantial involvement is anticipated between the awarding office, (the Federal government) and the recipient during performance of the contemplated project.
- **Developmental/Research Phase**--The time interval during the Project Period that precedes the Operational Phase. Grantees accomplish preliminary activities during this phase including establishing third party agreements, mobilizing monetary funds and other resources, assembling, rezoning, and leasing of properties, conducting architectural and engineering studies, constructing facilities, etc.
- **Displaced worker**--An individual in the labor market who has been unemployed for six months or longer.
- **Distressed community**--A geographic urban neighborhood or rural community of high unemployment and pervasive poverty.
- **Employment education and training program**--A program that provides education and/or training to welfare recipients, at-risk youth, public housing tenants, displaced workers, homeless and low-income individuals and that has demonstrated organizational experience in education and training for these populations.
- **Empowerment Zone and Enterprise Community Project Areas (EZ/EC)**--Urban neighborhoods and rural areas designated as such by the Secretaries of Housing and Urban Development and Agriculture.
- **Equity investment**--The provision of capital to a business entity for some specified purpose in return for a portion of ownership using a third-party agreement as the

contractual instrument.

- **Faith-Based Community Development Corporation**--A community development corporation that has a religious character.
- **Hypothesis**--An assumption made in order to test a theory. It should assert a cause-and-effect relationship between a program intervention and its expected result. Both the intervention and its result must be measured in order to confirm the hypothesis. The following is a hypothesis: ``Eighty hours of classroom training will be sufficient for participants to prepare a successful loan application." In this example, data would be obtained on the number of hours of training actually received by participants (the intervention), and the quality of loan applications (the result), to determine the validity of the hypothesis (that eighty hours of training is sufficient to produce the result).
- **Indirect Costs**--This category should be used only when the applicant currently has an indirect cost rate approved by the Department of Health and Human Services (HHS) or another cognizant Federal agency.
- **Intervention**--Any planned activity within a project that is intended to produce changes in the target population and/or the environment and that can be formally evaluated. For example, assistance in the preparation of a business plan is an intervention.
- **Job creation**--New jobs, i.e., jobs not in existence prior to the start of the project, that result from new business start-ups, business expansion, development of new services industries, and/or other newly-undertaken physical or commercial activities.
- **Job placement**--Placing a person in an existing vacant job of a business, service, or commercial activity not related to new development or expansion activity.
- **Letter of commitment**--A signed letter or agreement from a third party to the applicant that pledges financial or other support for the grant activities contingent only on OCS accepting the applicant's project proposal.
- **Loan**--Money lent to a borrower under a binding pledge for a given purpose to be repaid, usually at a stated rate of interest and within a specified period.
- **Low-Income Beneficiaries**--Individuals whose family's taxable income for the preceding year did not exceed 150 percent of the poverty level amount.
- **Non-profit Organization**--An organization, including faith-based and community-based, that provides proof of non-profit status described in the ``Additional Information on Eligibility" section of this announcement.
- **Operational Phase**--The time interval during the Project Period when businesses, commercial development or other activities are in operation, and employment, business development assistance, and so forth are provided.
- **Outcome evaluation**--An assessment of project results as measured by collected data that define the net effects of the interventions applied in the project. An outcome evaluation will produce and interpret findings related to whether the interventions produced desirable changes and their potential for being replicated.
- **Poverty Income Guidelines**--Guidelines published annually by the U.S. Department of Health and Human Services that establish the level of poverty defined as low-income for individuals and their families. The guideline information is posted on the Internet at the following address: <http://aspe.hhs.gov/poverty/poverty.shtml>.
- **Process evaluation**--The ongoing examination of the implementation of a program. It focuses on the effectiveness and efficiency of the program's activities and interventions (for example, methods of recruiting participants, quality of training activities, or usefulness of follow-up procedures). It should answer the questions such as: Who is receiving what services and are the services being delivered as planned? It is also known as formative evaluation, because it gathers information that can be used as a management tool to improve the way a program operates while the program is in progress. It should also identify problems that occurred, how the problems were resolved and what recommendations are needed for future implementation.
- **Pre-Development Phase**--The time interval during the Project Period when an applicant or grantee plans a project, conducts feasibility studies, prepares a business or work plan and mobilizes non-OCS funding.

- **Program income**--Gross income earned by the grant recipient that is directly generated by an activity supported with grant funds.
- **Project Period**--The total time for which a project is approved for OCS support, including any approved extensions.
- **Revolving loan fund**--A capital fund established to make loans whereby repayments are re-lent to other borrowers.
- **Self-employment**--The employment status of an individual who engages in self-directed economic activities.
- **Self-sufficiency**--The economic status of a person who does not require public assistance to provide for his/her needs and that of his/her immediate family.
- **Sub-award**--An award of financial assistance in the form of money, or property, made under an award by a recipient to an eligible sub-recipient or by a sub-recipient to a lower tier sub-recipient. The term includes financial assistance when provided by any legal agreement, even if the agreement is called a contract, but does not include procurement of goods and services nor does it include any form of assistance which is excluded from the definition of "award" in 45 CFR part 74. (Note: Equity investments and loan transactions are not sub-awards.)
- **Technical assistance**--A problem-solving event generally using the services of a specialist. Such services may be provided on-site, by telephone or by other communications. These services address specific problems and are intended to assist with immediate resolution of a given problem or set of problems.
- **Temporary Assistance for Needy Families (TANF)**--The Federal block grant program authorized in Title I of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Pub. L. 104-193). The TANF program transformed "welfare" into a system that requires work in exchange for time-limited assistance.
- **Third party**--Any individual, organization or business entity that is not the direct recipient of grant funds.
- **Third party agreement**--A written agreement entered into by the grantee and an organization, individual or business entity (including a wholly owned subsidiary), by which the grantee makes an equity investment or a loan in support of grant purposes.
- **Third party in-kind contributions**--Non-cash contributions provided by non-Federal third parties. These contributions may be in the form of real property, equipment, supplies and other expendable property, and the value of goods and services directly benefiting and especially identifiable to the project or program.
- **Weed and Seed Program**--US Department of Justice's Weed and Seed program was developed to demonstrate an innovative and comprehensive approach to law enforcement and community revitalization