

NCUA LETTER TO CREDIT UNIONS

NATIONAL CREDIT UNION
ADMINISTRATION
1775 Duke Street, Alexandria,
VA

DATE: July 2002 **LETTER NO.:** 02-FCU-10

TO: All Federal Credit Unions

SUBJ: The Compassion Capital Fund

Dear Manager and Board of Directors:

This letter provides information concerning the Compassion Capital Fund (CCF) as part of the NCUA's ongoing effort through the Access Across America initiative to provide credit unions information on methods and resources available to serve low-income individuals. The CCF is a \$30 million fund appropriated by Congress this year to the Department of Health and Human Services (HHS).

The CCF represents the first appropriated federal funds specifically targeted to assist faith-based organizations and community groups to partner with the government in providing services to those individuals with the greatest need.

HHS intends to award up to \$25 million to 15 to 25 intermediary organizations (which could include credit unions or affiliated organizations) that will in turn provide technical assistance and sub-awards to smaller organizations (which could include credit unions or community organizations). The technical assistance will help smaller organizations operate and manage programs effectively, access funding from various sources, develop and train staff, expand the types and reach of social services programs in their communities, and replicate promising programs. The sub-awards will be given to organizations that focus on homelessness, hunger, at-risk children, transition from welfare to work, and those in need of intensive rehabilitation.

HHS is currently inviting grant applicants to apply. The Notice of Funds Availability announcement (released on June 7, 2002) with the program criteria and goals can be found at www.hhs.gov/faith/39561.txt. HHS has requested that interested applicants e-mail their intention to submit an application (indicate "Intent to Apply for Compassion Capital Fund Demonstration Program") to OCS@lcqnet.com so HHS can determine the number of expert reviewers. **The deadline for receipt of an application is July 22, 2002.**

For further information contact: LCG OCS Operations Center at OCS@lcn.net or at 1-800-281-9519 or at 202-358-3595.

Sincerely,

/S/

Dennis Dollar
Chairman