



Competitive Grant Announcement

Awards for Financial Crime-Free Communities Support (C-FIC) Anti-Money Laundering Grant Program

Submission Deadline: July 24, 2000

**Funded by:
U.S. Department of the Treasury**

Administered by:

BJA **Bureau of Justice Assistance**
Office of Justice Programs ■ U.S. Department of Justice

About the U.S. Department of the Treasury and Bureau of Justice Assistance

The U.S. Department of the Treasury (DOT) and the U.S. Department of Justice (DOJ) oversee the majority of the Federal Government's anti-money laundering enforcement and regulatory efforts. Together, DOT and DOJ produce the annual *National Money Laundering Strategy*. To strengthen DOT's partnerships with state and local governments in the fight against money laundering, Congress established the Financial Crime-Free Communities Support (C-FIC) Anti-Money Laundering Grant Program.

The Bureau of Justice Assistance (BJA), a component of the Office of Justice Programs (OJP) within DOJ, supports innovative programs that strengthen the nation's criminal justice system. BJA's primary mission is to provide leadership and a wide range of assistance to local criminal justice agencies to make America's communities safer. To accomplish this mission, BJA provides funding, training, technical assistance, and information to state and community criminal justice programs, emphasizing the coordination of federal, state, and local efforts.

DOT and DOJ (BJA and OJP) will jointly implement the C-FIC Anti-Money Laundering Grant Program.

Background

In the Money Laundering and Financial Crimes Strategy Act of 1998, Pub. L. 105-310 (Oct. 30, 1998), Congress directed DOT to establish a program to provide funds to state and local law enforcement agencies to detect, prevent, and suppress money laundering and related financial crimes whether related to narcotics or other underlying offenses. State and local enforcement officials, including regulatory officials, and state and local prosecutors are aptly suited to identify potential money laundering activity

and to adjust enforcement and prosecution efforts to local conditions.

DOT, OJP, and BJA entered into a memorandum of understanding (MOU) to govern the administration of the C-FIC Program. C-FIC grants are to be used as seed money for state and local programs that seek to address money laundering systems within their jurisdictions. C-FIC grants will help state and local communities to marshal information and expertise to build innovative approaches to address money laundering enforcement and prosecution. C-FIC can also provide state and local recipients with training and technical assistance to combat these crimes.

About This Solicitation

Through this competitive solicitation for applications, DOT and DOJ encourage state and local law enforcement agencies and prosecutors' offices to identify emerging or chronic money laundering issues within their jurisdictions and propose innovative strategies for addressing those issues.

Applications must adhere to the administrative requirements outlined in this document and follow the format prescribed in the Selection Criteria Section. Applications not adhering to the administrative requirements or the prescribed format will not be considered. Submissions will be reviewed by a panel of expert practitioners (peer review), who will make award recommendations to BJA; BJA, in turn, will review and forward recommendations to DOT. DOT will then select the applications to be awarded. BJA will administer the C-FIC grants and monitor the individual projects.

Who Is Eligible

Applicants are limited by statute to state and local law enforcement agencies or prosecutors' offices. State attorneys general offices, district attorneys, and law enforcement agencies may apply. Partnerships and interagency collaboration are encouraged;

however, a state or local law enforcement agency or a state or local prosecutor must be the applicant.

Amount and Length of Awards

C–FIC grant recipients will be selected by the Secretary of the Treasury, in consultation with the U.S. Attorney General, and the individual grant will be awarded and administered by BJA and OJP. In fiscal year (FY) 2000, up to ten (10) awards will be made for up to 18 months each. For FY 2000, applicants may request funding of up to \$300,000, which is expected to be the maximum federal contribution available for each award. Recipients of C–FIC grants will be eligible to apply for future renewal grants at the appropriate time, but the grants will not be renewed automatically.

Administrative Requirements

Applicants must submit **10** copies of their proposal. To be considered for funding, proposals must include the following:

- È All forms found in the *BJA C–FIC Application Kit*.
- È A detailed narrative describing the proposed project. The narrative must address each of the Selection Criteria described below in the sequence shown. The narrative portion must not exceed 30 pages.
- È A budget that reflects the estimated cost of the activities described in the proposal.
- È A copy of your state’s money laundering statute and any other relevant state or local authorization to investigate and/or prosecute money laundering and related financial crimes. Applicants should include the basis, if any, for their authority to seize and/or forfeit assets.

- È A résumé of the proposed project director highlighting information that clearly indicates his or her experience in money laundering enforcement and/or prosecution.

NOTE: Federal law requires that, to the extent that moneys are received by the grantee via asset forfeiture as a result of efforts funded by the grant, a C–FIC grant recipient must agree to return C–FIC moneys awarded, up to the amount of the award, whether or not the forfeiture occurs during the period of the grant (31 U.S.C. 5352(c)(1)).

The proposal must be submitted on 8½- by 11-inch paper in standard 12-point font. The narrative portions of the proposal must be double spaced.

All necessary forms and instructions are provided in the BJA C–FIC Application Kit. The Application Kit is available from BJA’s Web site at www.ojp.usdoj.gov/BJA/html/new1.htm. Copies can also be obtained by calling the BJA Clearinghouse at 1–800–688–4252 or the U.S. Department of Justice Response Center at 1–800–421–6770.

Selection Criteria

Applicants must propose strategies to develop or enhance state and local programs that seek to address money laundering systems within their jurisdictions. The following criteria will be considered in the selection of the initial C–FIC grant recipients during FY 2000. Each submission must answer the following questions in the order presented below. List each question by number, followed by your answer. Submissions not following this format will be removed from the review process.

1. What specific money laundering-related problem(s) in your jurisdiction does your proposal address? (20 points)

Describe and/or demonstrate that the jurisdiction is focusing on a significant money laundering problem or risk, in a

manner consistent with the National Money Laundering Strategy. Each application is required to include a preliminary threat assessment that identifies the most significant money laundering risks to be addressed using C–FIC grant funds. The use of FinCEN’s Gateway Program as a vehicle for two-way information exchange is strongly encouraged.

2. Specifically, how will the award of C–FIC grant funds be used to accomplish your proposal’s objectives? (25 points)

Provide an overview of your initiative. Make certain that clear and strong links exist between what you are proposing and how it will address the problem(s) you described in Question 1. This criterion is seeking innovative approaches. Are you proposing a method to investigate, disrupt, and prosecute those involved in money laundering systems? NOTE: The grant funds should not be used to fund investigative efforts focused primarily on the predicate crimes that generate launderable proceeds.

3. How will you regularly measure outcomes for the program throughout its operation? (10 points)

Each applicant should submit an analysis of how it will target the problem that it seeks to address and how it will measure its success. The application must contain at least three (3) quantitative performance measures and discuss how the applicant (and program auditors) can assess those measures. Effectiveness need not be measured by immediate arrests or cash seizures, although such statistics may be relevant. The applicant must also provide assurances that any entity conducting an evaluation of the applicant’s performance under the grant, or any entity from which the applicant receives information, has experience in gathering

data related to money laundering and related financial crimes (31 U.S.C. 5352(a)(2)(C)). NOTE: Each selected applicant will be required to assess the level of cooperation between it and the federal, state, and local law enforcement and prosecutorial agencies and regulatory agencies involved in fighting money laundering and related financial crimes.

4. How will agencies collaborate in the project? Include signed copies of all interagency agreements and MOUs. Include a description of proposed or existing partnerships and how state and local prosecutors, law enforcement agencies, and relevant regulatory officials will be incorporated. Also describe how information from appropriate academic or research disciplines will be integrated into your proposal. (25 points)

List your partners, the role they play in your strategy, and whether this is a new or existing collaboration. NOTE: Applicants who propose coordinating activities with any relevant High Risk Money Laundering and Financial Crime Areas (HIFCAs) will be considered favorably for a C–FIC grant award. The National Money Laundering Strategy for 2000 designated three geographic HIFCAs—New York/Northern New Jersey, Los Angeles, and San Juan—and one money laundering system for the smuggling of bulk cash across the Texas and Arizona borders. Collaboration is strongly encouraged in the following manner: (a) coordination with the action team of a designated HIFCA site, including a statement of endorsement by the head(s) of the HIFCA action team, and (b) participation with appropriate regulatory agencies.

5. What is the projected budget for the project? Use the appropriate worksheet included in the BJA Application Kit. (20 points)
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The budget must describe not only the costs of the program but the cost-benefits to the jurisdiction. NOTE: Applicants should describe how the use of the C-FIC grant funds can result in progress being made toward the fight against money laundering activities and describe how the grant will affect the money laundering target site after the grant period has ended.

Deadline and Submission

Ten copies of the proposal must be **received** at the address below no later than 5 p.m. eastern time, July 24, 2000. Proposals received after the deadline will not be considered. BJA will not grant extensions of the deadline or accept faxed submissions. Applications should be mailed or delivered to:

Bureau of Justice Assistance
Attention: BJA Control Desk
5640 Nicholson Lane, Suite 300
Rockville, MD 20852

Additional Measures

In addition to Selection Criteria 3 stated above, a biennial survey to measure progress and effectiveness is also a program requirement and reporting obligation.

Publications for Reference

- È *The National Money Laundering Strategy for 2000* (March 2000) (U.S. Department of the Treasury and U.S. Department of Justice), available at www.treas.gov/press/releases/docs/ml2000.pdf.
- È *The National Money Laundering Strategy for 1999* (September 1999) (U.S. Department of the Treasury and U.S. Department of Justice), available at www.treas.gov/press/releases/99report.htm.

For More Information

The staff of the U.S. Department of Justice Response Center are available at 1-800-421-6770 to answer questions about this announcement. Applicants will receive a postcard acknowledging BJA's receipt of their proposal within 4 to 6 weeks of the submission deadline. Awards are expected to be announced on or before September 30, 2000.

For general information about BJA programs and technical assistance, contact the BJA Clearinghouse at 1-800-688-4252 or access the BJA World Wide Web home page at www.ojp.usdoj.gov/BJA.

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U.S. Department of Justice
Office of Justice Programs
Bureau of Justice Assistance

Washington, DC 20531

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