"(d) Financial assistance under this part shall be extended only to projects which are sponsored by public or private nonprofit agencies. The Director may, however, contract in special cases for the carrying out of projects or parts of projects by other private organizations where he finds such a contract to be justified on the basis of efficiency and economy and otherwise consistent with the provisions and purposes of this part.

### "EVALUATION

"Sec. 130. The Director shall provide for the continuing evaluation of the programs under this title, including their effectiveness in achieving stated goals and their impact on other related programs. He may, for this purpose, contract for independent evaluations of those programs or individual projects.

### COMMUNITY ACTION AMENDMENTS

Sec. 103. Title II of the Economic Opportunity Act of 1964 is amended to read as follows:

# "TITLE II—URBAN AND RURAL COMMUNITY ACTION PROGRAMS

#### "STATEMENT OF PURPOSE

"Sec. 201. This title provides for community action agencies and programs, prescribes the structure and describes the functions of community action agencies, and authorizes financial assistance to community action programs and related projects and activities. Its basic purpose is to stimulate a better focusing of all available local, State, private, and Federal resources upon the goal of enabling low-income families, and low-income individuals of all ages, in rural and urban areas, to attain the skills, knowledge, and motivations and secure the opportunities needed for them to become fully self-sufficient. Its specific purposes are to promote, as methods of achieving a better focusing of resources on the goal of individual and family self-sufficiency-

(1) the strengthening of community capabilities for planning and coordinating Federal, State, and other assistance related to the elimination of poverty, so that this assistance, through the efforts of local officials, organizations, and interested and affected citizens, can be made more responsible to local needs and conditions;

(2) the better organization of a range of services related to the needs of the poor, so that these services may be made more effective and efficient in helping families and individuals to overcome particular problems in a way that takes account of, and supports their progress in overcoming, related problems;

"(3) the greater use, subject to adequate evaluation, of new types of services and innovative approaches in attacking causes of poverty, so as to develop increasingly effective methods of employing available resources;

"(4) the development and implementation of all programs and projects designed to serve the poor or low-income areas with the maximum feasible participation of residents of the areas and members of the groups served, so as to best stimulate and take full advantage of capabilities for selfadvancement and assure that those programs and projects are otherwise meaningful to and widely utilized by their intended beneficiaries; and

(5) the broadening of the resource base of programs directed to the elimination of poverty, so as to secure, in addition to the services and assistance of public officials, private religious, charitable, and neighborhood organizations, and individual citizens, a more active role for business, labor, and professional groups able to provide employment opportunities or otherwise influence the quantity and quality of services of concern to the poor.

## "PART A-COMMUNITY ACTION AGENCIES AND PROGRAMS

"ESTABLISHMENT OF COMMUNITY ACTION AGENCIES; COMMUNITY ACTION PROGRAMS

"Sec. 210. (a) The Director shall encourage communities to establish public or private nonprofit agencies, to be known as community action agencies. A community action agency shall be responsible for, and must be capable of, planning,