

(ii) At least one-third of the members are persons chosen by a democratic selection method designed to assure that they are representative of the poor in the area served;

(iii) The other members are officials or members of business, industry, labor, religious, welfare, education, or other major groups and interests in the community;

(iv) Each member of the board selected to represent a specific geographic area in a community resides in the area represented; and

(v) A person selected under subparagraph (ii) or (iii) may not serve for more than 5 consecutive years or for more than a total of 10 years.

(2) (i) If a community action agency delegates responsibility for policy determinations to a subsidiary board, council, or similar agency, that board, council, or agency shall be broadly representative of the area.

(ii) Policy determinations may include the character, funding, extent, and administration of, and budgeting for programs or projects affecting a particular geographic area in a community.

(iii) If the community action agency is a governmental unit, the board of directors may serve as an advisory body to the governmental unit and with the approval of the governing body the governmental unit may delegate any or all of its powers and responsibilities to the advisory body.

(f) (1) The Secretary may provide financial assistance to designated community action agencies based upon distribution criteria set forth by the Secretary in regulations.

(2) The distribution criteria shall include the percentage of persons in poverty, based on the most current census population data and may include specific problems in rural communities, minimum funding necessary to maintain program operations, and the potential for additional local and private funding.

(3) The regulations shall assure that, with respect to the allocation of federal funds, each designated community action agency receives federal funds at a level at least equal to that received by the agency in federal Fiscal Year 1994 unless the federal funding is reduced.

(4) The regulations shall allocate federal funds remaining after the allocations under paragraph (3) of this subsection only to those community action agencies which received a lesser share of program federal funds in federal Fiscal Year 1994 than they would have received based on the number of persons in poverty in the local jurisdiction as a percentage of the total population of persons in poverty in the State.

(g) In addition to the powers set forth elsewhere in this section, a community action agency may:

(1) Receive and administer:

(i) Financial assistance received under this section;