

**§628.46 How shall a grantee calculate the amount of endowment fund income that it may withdraw and spend?**

A grantee shall calculate the amount of endowment fund income that it may withdraw and spend at a particular time as follows:

(a) On each date that the grantee plans a withdrawal of income, it must—

(1) Determine the value of endowment fund income by subtracting the endowment fund corpus from the current total value of the endowment fund on that date; and

(2) Calculate the amount of endowment fund income previously withdrawn from the endowment fund.

(b) If the value of endowment fund income in the endowment fund exceeds the aggregate amount of previously withdrawn endowment fund income, the grantee may withdraw and spend up to 50 percent of that excess fund income.

(Authority: 20 U.S.C. 1065)

[49 FR 28521, July 21, 1984, as amended at 52 FR 11258, Apr. 8, 1987]

**§628.47 What shall a grantee record and report?**

A grantee shall—

(a) Keep records of—

(1) The source, kind and amount of matching funds;

(2) The type and amount of investments of the endowment fund;

(3) The amount of endowment fund income; and

(4) The amount and purpose of expenditures of endowment fund income;

(b) Retain each year's records for a minimum of five years after the grant period ends;

(c) Allow the Secretary access to information that the Secretary judges necessary to audit or examine the records required in paragraph (a) of this section;

(d) Carry out the audit required in 34 CFR 74.61(h) or 80.26 and the appendix to 34 CFR part 80, as applicable;

(e) Provide to the Secretary a copy of the external or internal audit to be performed under 34 CFR 74.61(h) or 80.26 and the appendix to 34 CFR part 80, as applicable; and

(f) Submit reports on a timely basis that are requested by the Secretary.

(Approved by the Office of Management and Budget under control number 1840-0564)

(Authority: 20 U.S.C. 1065 and 1232f)

[49 FR 28521, July 12, 1984, as amended at 52 FR 11258, Apr. 8, 1987; 53 FR 49146, Dec. 6, 1988; 58 FR 11164, Feb. 23, 1993]

**§628.48 What happens if a grantee fails to administer the endowment challenge grant in accordance with applicable regulations?**

(a) The Secretary may, after giving the grantee notice and an opportunity for a hearing, terminate an endowment challenge grant if the grantee—

(1) Withdraws or spends any part of the endowment fund corpus in violation of §628.44(a)(1);

(2) Spends any portion of the endowment fund income not permitted to be spent in §628.45;

(3) Fails to invest the endowment fund in accordance with the investment standards set forth in §628.43; or

(4) Fails to meet the requirements in §628.41.

(b) If the Secretary terminates a grant under paragraph (a) of this section, the grantee must return to the Secretary an amount equal to the sum of the original endowment challenge grant or grants plus the income earned on that sum.

(Authority: 20 U.S.C. 1065)

[49 FR 28521, July 21, 1984, as amended at 52 FR 11258, Apr. 8, 1987; 52 FR 36375, Sept. 28, 1987]

**PART 636—URBAN COMMUNITY SERVICE PROGRAM**

**Subpart A—General**

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AUTHORITY: 20 U.S.C. 1136-1136h, unless otherwise noted.

SOURCE: 58 FR 42663, Aug. 11, 1993, unless otherwise noted.

**Subpart A—General**

**§ 636.1 What is the Urban Community Service Program?**

The Urban Community Service Program provides grants to urban academic institutions to work with private and civic organizations to devise and implement solutions to pressing and severe problems in their urban communities.

(Authority: 20 U.S.C. 1136, 1136a)

**§ 636.2 Who is eligible for a grant?**

The following institutions are eligible for grants under the Urban Community Service Program:

- (a) A nonprofit municipal university, established by the governing body of the city in which it is located and operating as of July 23, 1992.
- (b) An institution of higher education or a consortium of institutions with at least one member that satisfies all of the following requirements:
  - (1) Is located in an urban area.

- (2) Draws a substantial portion of its undergraduate students from the urban area in which it is located or from contiguous areas.

- (3) Carries out programs to make postsecondary educational opportunities more accessible to residents of the urban area or contiguous areas.

- (4) Has the present capacity to provide resources responsive to the needs and priorities of the urban area and contiguous areas.

- (5) Offers a range of professional, technical, or graduate programs sufficient to sustain the capacity of the institution to provide these resources.

- (6) Has demonstrated and sustained a sense of responsibility to the urban area and contiguous areas and the people in those areas.

(Authority: 20 U.S.C. 1136g)

**§ 636.3 What activities may the Secretary support?**

(a) The Secretary awards grants under this program for the following activities:

- (1) Planning.
- (2) Applied research.
- (3) Training.
- (4) Resource exchanges or technology transfers.
- (5) Delivery of services.
- (6) Other activities to design and implement programs to assist urban communities to meet and address their pressing and severe problems.

(b) Examples of pressing and severe urban problems that applications may address include concerns such as the following:

- (1) Work force preparation.
- (2) Urban poverty and the alleviation of poverty.
- (3) Health care, including delivery and access.
- (4) Underperforming school systems and students.
- (5) Problems faced by the elderly and individuals with disabilities in urban settings.
- (6) Problems faced by families and children.
- (7) Campus and community crime prevention, including enhanced security and safety awareness measures as well as coordinated programs addressing the root causes of crime.
- (8) Urban housing.

- (9) Urban infrastructure.
- (10) Economic development.
- (11) Urban environmental concerns.
- (12) Other problem areas that participants of the planning consortium agree are of high priority in the urban area in which their institutions are located.
- (13) Problems faced by individuals with disabilities regarding accessibility to institutions of higher education and other public and private community facilities.
- (14) Lessening of existing attitudinal barriers that prevent full inclusion of individuals with disabilities within their community.

(Authority: 20 U.S.C. 1136c)

**§ 636.4 What is the duration of an Urban Community Service Program grant?**

The duration of an Urban Community Service Program grant is a maximum of five annual budget periods.

(Authority: 20 U.S.C. 1136d)

**§ 636.5 What are the matching contribution and planning consortium requirements?**

(a) The applicant and the local governments associated with its application shall contribute to the conduct of the project supported by the grant an amount, in cash or in-kind, from non-Federal funds equal to at least one-fourth of the amount of the grant.

(b) The applicant shall develop and include in its application a plan agreed to by the members of a planning consortium.

(Authority: 20 U.S.C. 1136b, 1136e)

**§ 636.6 What regulations apply?**

The following regulations apply to the Urban Community Service Program:

(a) The Education Department General Administrative Regulations (EDGAR) as follows:

- (1) 34 CFR part 74 (Administration of Grants to Institutions of Higher Education, Hospitals, and Nonprofit Organizations).
- (2) 34 CFR part 75 (Direct Grant Programs).
- (3) 34 CFR part 77 (Definitions that Apply to Department Regulations).

(4) 34 CFR part 79 (Intergovernmental Review of Department of Education Programs and Activities).

(5) 34 CFR part 80 (Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments).

(6) 34 CFR part 82 (New Restrictions on Lobbying).

(7) 34 CFR part 85 (Governmentwide Debarment and Suspension (Non-procurement) and Governmentwide Requirements for Drug-Free Workplace (Grants)).

(8) 34 CFR part 86 (Drug-Free Schools and Campuses).

(b) The regulations in this part 636.

(Authority: 20 U.S.C. 1136, 1136a)

**§ 636.7 What definitions apply?**

(a) *Definitions in EDGAR.* The following terms used in this part are defined in 34 CFR 77.1:

Applicant	EDGAR
Application	Grant
Award	Project
Budget period	Project period
Department	Secretary

(b) *Other definitions.* The following definitions also apply to this part:

*Contiguous areas* means counties or independent cities sharing a part of a border with the metropolitan area within which an urban academic institution is located.

*Consortium of institutions of higher education* means two or more institutions of higher education that have entered into a cooperative arrangement for the purpose of carrying out common objectives.

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*HEA* means the Higher Education Act of 1965, as amended.

*Individuals with disabilities* means individuals who—

- (i) Have physical or mental impairments that substantially limits one or more of the major life activities;
- (ii) Have a record of physical or mental impairments; or
- (iii) Are regarded as having physical or mental impairments.

*Institution of higher education* means an institution of higher education as defined in section 1201(a) of the HEA.

*Local government* means a city, town, township, county, or other unit of general government organized under State laws and given delegated taxing or expenditure authority for providing governmental services to local communities.

*Metropolitan area* means a metropolitan area or a consolidated metropolitan area, as designated by the United States Office of Management and Budget.

*Nonprofit municipal university* means an institution of higher education that—

- (i) Is chartered or otherwise established as a not-for-profit institution by the governing body of the city in which it is located; and
- (ii) Is accredited by an agency or association recognized by the Secretary.

*Planning consortium* means the applicant institution and one or more of the following:

- (i) A community college.
- (ii) An urban school system.
- (iii) A local government.
- (iv) A business or other employer.
- (v) A nonprofit institution.

*Substantial portion of its undergraduate students* means 40 percent or more of the enrolled undergraduate student population.

*Urban area* means—

- (i) A metropolitan area having a population of not less than 350,000;
- (ii) Two contiguous metropolitan areas having a combined total population of not less than 350,000;
- (iii) In any State that does not have a metropolitan area having a population of not less than 350,000, the one urban area designated by the entity of the State having an agreement under the HEA to make a designation; or
- (iv) If a State entity does not have an agreement under the HEA to make a designation, the one urban area designated by the Secretary.

*Urban infrastructure* means the underlying mechanical or technological networks for providing goods and services, such as transportation systems (including mass transit), water and sewage

systems, and communication systems (including telecommunications).

(Authority: 20 U.S.C. 1136a-1136g)

### Subpart B—How Does One Apply for an Award?

#### § 636.10 What must an application include?

An application must include the following:

- (a) A description of the activities for which the grant is sought.
- (b) The plan agreed to by each of the members of the planning consortium.
- (c) An assurance that the applicant and the local governments associated with the application will contribute to the conduct of the project supported by the grant an amount, in cash or in-kind, from non-Federal funds equal to at least one-fourth of the amount of the grant.

(Authority: 20 U.S.C. 1136b)

#### § 636.11 How does an applicant request a waiver of the planning consortium requirement?

(a) An applicant may request that the Secretary waive the requirement for a planning consortium by submitting as part of the application a request that includes the following:

- (1) The reasons why the applicant seeks the waiver.
- (2) Detailed information evidencing the applicant's integrated and coordinated plan to work with private and civic organizations to meet the pressing and severe problems of the urban community.

(b) The Secretary may grant the request for a waiver if the Secretary finds that—

- (1) The applicant has shown an integrated and coordinated plan to meet the purposes of the Urban Community Service Program; and
- (2) A planning consortium would not substantially improve the applicant's proposed project.

(Authority: 20 U.S.C. 1136b)

**Subpart C—How Does the Secretary Make an Award?**

**§ 636.20 How does the Secretary evaluate an application?**

(a) The Secretary evaluates an application on the basis of the selection criteria in § 636.21.

(b) The Secretary awards up to 100 points for these selection criteria.

(c) The maximum possible score for each criterion is indicated in parentheses.

(Authority: 20 U.S.C. 1136b)

**§ 636.21 What selection criteria does the Secretary use to evaluate an application?**

The Secretary uses the following criteria to evaluate an application under this part:

(a) *Determination of need for the project.* (10 points). The Secretary reviews each application to assess the effectiveness of the procedures used by the applicant in determining need for the project, including consideration of—

(1) The process used to ensure that the pressing and severe problems that are identified are in fact high priority problems for the urban area;

(2) The priority relationship of the problems addressed by the project to other pressing and severe problems identified for the urban area;

(3) The extent to which the problems addressed by the project represent pressing and severe problems in urban areas nationally;

(4) The process by which project participants review and comment on proposed project goals, objectives, and strategies; and

(5) The specific benefits to be gained by meeting the identified problems.

(b) *Quality of the applicant's organization for operation.* (20 points). The Secretary reviews each application to determine the quality of the organization for operation, including consideration of how the application describes the following:

(1) The cooperative arrangement between the applicant and any of the following that are appropriate for the conduct of the proposed project:

(i) Agencies of local government.

(ii) Public and private elementary and secondary schools.

(iii) Business organizations.

(iv) Labor organizations.

(v) Community service and advocacy organizations.

(vi) Community colleges.

(2)(i) Any previous working relationships between the applicant and the entities listed in paragraph (b)(1) of this section; and

(ii) The outcomes of those relationships.

(3) The agreement among project participants to commit their own resources in carrying out proposed project goals, objectives, and strategies.

(c) *Quality of project objectives.* (10 points). The Secretary reviews each application to determine the extent to which the objectives for each project component activity meet the purposes of the program, are realistic, and are defined in terms of measurable results.

(d) *Quality of implementation strategy.* (20 points). The Secretary reviews each application to determine the extent to which—

(1) The implementation strategy for each key project component activity is—

(i) Comprehensive;

(ii) Based on a sound rationale; and

(iii) Is a cost-effective approach for accomplishing project goals and objectives; and

(2) The described timetable for each project component and for the overall project is realistic.

(e) *Quality of evaluation plan.* (15 points). The Secretary reviews each application to determine the quality of the evaluation plan for the project, including the extent to which the applicant's methods of evaluation—

(1) Relate to the objectives of the project;

(2) Describe both process and product evaluation measures for each project component activity and outcome;

(3) Describe data collection procedures, instruments, and schedules for effective data collection;

(4) Describe how the data will be analyzed and reported so that adjustments and improvements can be made on a regular basis while the project is in operation;

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(5) Describe a time-line chart that relates key evaluation processes and benchmarks to other project component processes and benchmarks; and

(6) Establish the potential for effectively disseminating project information that can be generalized, replicated, and applied throughout the Nation.

(f) *Quality of key personnel.* (10 points). The Secretary reviews each application to determine the qualifications of key personnel, including information that—

(1) The past work experience and training of key professional personnel are directly related to the stated activity purposes and objectives; and

(2) The time commitment of key personnel is realistic.

(g) *Budget.* (5 points). The Secretary reviews each application to determine whether the project has an adequate budget and is cost effective, including information that shows that—

(1) The budget for the project is adequate to support the project activities; and

(2) The costs are necessary and reasonable in relation to the project objectives and scope.

(h) *Institutional commitment.* (10 points). The Secretary reviews each application to determine the extent to which the application demonstrates a financial commitment on the part of the applicant and the local governments associated with its application, including the nature and amount of the matching contribution, and other institutional commitments from the applicant and other entities associated with the project, that are likely to assure the continuation of project activities for a significant time beyond the grant project period.

(Authority: 20 U.S.C. 1136b, 1136e)

**§ 636.22 What additional factors does the Secretary consider?**

(a) The Secretary awards grants in a manner that achieves an equitable geographic distribution of grants.

(b) No institution, individually or as a participant in a consortium of institutions, may receive an Urban Commu-

nity Service Program grant for more than five years.

(Authority: 20 U.S.C. 1136e)

**§ 636.23 What priorities does the Secretary establish?**

In awarding grants, the Secretary gives an absolute preference to applicants that propose to conduct joint projects supported by other local, State, and Federal programs.

(Authority: 20 U.S.C. 1136b)

**Subpart D—How Does the Secretary Designate Urban Grant Institutions and Establish an Urban Grant Institutions Network?**

**§ 636.30 How does the Secretary designate urban grant institutions?**

(a) The Secretary identifies and designates the eligible institutions described in § 636.2 as urban grant institutions.

(b) The Secretary publishes a list of urban grant institutions in a notice published in the FEDERAL REGISTER.

(Authority: 20 U.S.C. 1136f)

**§ 636.31 How does the Secretary establish a network of urban grant institutions?**

(a) The Secretary establishes a network of urban grant institutions consisting of the urban grant institutions designated in § 636.30.

(b) The Secretary invites institutions in the network of urban grant institutions to disseminate results and other information on individual projects that can be generalized, replicated, and applied throughout the Nation.

(Authority: 20 U.S.C. 1136f)

**PART 637—MINORITY SCIENCE IMPROVEMENT PROGRAM**

**Subpart A—General**

Sec.

637.1 What is the Minority Science Improvement Program (MISIP)?

637.2 Who is eligible to receive a grant?

637.3 What regulations apply to the Minority Science Improvement Program?

637.4 What definitions apply to the Minority Science Improvement Program?