- (a) Scholarship funds held in reserve by States under §694.14(c) or by Partnerships under section 404D(b)(7) of the HEA that are not used by eligible students as defined in §694.14(b) within six years of the students' scheduled completion of secondary school may be redistributed by the grantee to other eligible students.
- (b) Any Federal scholarship funds that are not used by eligible students within six years of the students' scheduled completion of secondary school, and are not redistributed by the grantee to other eligible students, must be returned to the Secretary within 45 days after the six-year period for expending the scholarship funds expires.
- (c) Grantees that reserve funds for scholarships must annually furnish information, as the Secretary may require, on the amount of Federal and non-Federal funds reserved and held for GEAR UP scholarships and the disbursement of these scholarship funds to eligible students until these funds are fully expended or returned to the Secretary.
- (d) A scholarship fund is subject to audit or monitoring by authorized representatives of the Secretary throughout the life of the fund.

(Authority: 20 U.S.C. 1070a-25(e))

[75 FR 65800, Oct. 26, 2010]

## §694.17 How does a State determine which State agency will apply for, and administer, a State grant under this program?

The Governor of a State must designate which State agency applies for, and administers, a State grant under GEAR UP.

(Authority: 20 U.S.C. 1070a-21 to 1070a-28)

 $[65~{\rm FR}~24760,~{\rm Apr.}~27,~2000.~{\rm Redesignated}~{\rm at}~75~{\rm FR}~65798,~{\rm Oct.}~26,~2010]$ 

## § 694.18 What requirements must be met by a Partnership or State participating in GEAR UP with respect to 21st Century Scholarship Certificates?

(a) A State or Partnership must provide, in accordance with procedures the Secretary may specify, a 21st Century Scholar Certificate to each student participating in its GEAR UP project.

(b) 21st Century Scholarship Certificates must be personalized and indicate the amount of Federal financial aid for college and the estimated amount of any scholarship provided under section 404E of the HEA, if applicable, that a student may be eligible to receive.

(Authority: 20 U.S.C. 1070a-26) [75 FR 65801, Oct. 26, 2010]

## § 694.19 What priorities does the Secretary establish for a GEAR UP grant?

The Secretary awards competitive preference priority points to an eligible applicant for a State grant that has both—

- (a) Carried out a successful State GEAR UP grant prior to August 14, 2008, determined on the basis of data (including outcome data) submitted by the applicant as part of its annual and final performance reports, and the applicant's history of compliance with applicable statutory and regulatory requirements; and
- (b) A prior, demonstrated commitment to early intervention leading to college access through collaboration and replication of successful strategies.

(Authority: 20 U.S.C. 1070a-21(b))

[75 FR 65801, Oct. 26, 2010]

## § 694.20 When may a GEAR UP grantee provide services to students attending an institution of higher education?

- (a) The Secretary authorizes an eligible State or Partnership to provide GEAR UP services to students attending an institution of higher education if the State or Partnership—
- (1) Applies for and receives a new GEAR UP award after August 14, 2008, and
- (2) In its application, requested a seventh year so that it may continue to provide services to students through their first year of attendance at an institution of higher education.
- (b) A State grantee that uses a priority (rather than or in addition to a cohort) approach to identify participating students may, consistent with its approved application and at any time during the project period, provide services to students during their first year of attendance at an institution of