

§ 403.119

(3) Are enrolled in postsecondary educational institutions that—

- (i) Are funded by the State;
 - (ii) Do not charge tuition; and
 - (iii) Serve only economically disadvantaged students;
- (4) Are enrolled in programs serving economically disadvantaged adults;
- (5) Are participants in programs assisted under the JTPA;
- (6) Are Pell Grant recipients; and
- (c) Proposes an alternative formula that—

- (1) Includes direct counts of students enrolled in the institutions or consortia of eligible institutions;
- (2) Directly relates to the status of students as economically disadvantaged individuals;
- (3) Is to be uniformly applied to all eligible institutions;
- (4) Does not include fund pools for specific types of institutions or consortia of eligible institutions;
- (5) Does not include the direct assignment of funds to a particular institution or consortium of eligible institutions on a non-formula basis; and
- (6) Identifies a more accurate count of economically disadvantaged individuals in the aggregate than does the formula in § 403.116(b)(2).

(Approved by the Office of Management and Budget under Control No. 1830-0029)

(Authority: 20 U.S.C. 2341a(b))

[57 FR 36735, Aug. 14, 1992, as amended at 59 FR 38513, July 28, 1994]

§ 403.119 Under what circumstances may the State waive the distribution requirements for Secondary School Vocational Education Program or the Postsecondary and Adult Vocational Education Programs?

(a) This section applies in any fiscal or program year in which a State reserves 15 percent or less under § 403.180(b)(1) for distribution under—

- (1) The Secondary School Vocational Education Program; or
- (2) The Postsecondary and Adult Vocational Education Programs.

(b) Notwithstanding the provisions and § 403.112, § 403.113, or § 403.116, as applicable, in order to result in a more equitable distribution of funds for programs serving the highest numbers of economically disadvantaged individ-

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uals, the State may distribute the funds described in paragraph (a) of this section—

- (1) On a competitive basis; or
- (2) Through any alternative method determined by the State.

(Authority: 20 U.S.C. 2341b)

§ 403.120 How does a State reallocate funds under the Secondary School Vocational Education Program and the Postsecondary and Adult Vocational Education Programs?

(a) In any fiscal or program year that an LEA, area vocational school, intermediate school district, or consortium of those entities, or an eligible institution, or consortium of eligible institutions, does not obligate all of the amounts it is allocated for that year under the Secondary School Vocational Education Program or the Postsecondary and Adult Vocational Education Programs, the LEA, area vocational education school, intermediate school district, or consortium of those entities, or the eligible institution, or consortium of eligible institutions, shall return any unobligated amounts to the State to be reallocated under § 403.112(b), § 403.113, or § 403.116(b), as applicable.

(b) In any fiscal or program year in which amounts allocated under § 403.112(b), § 403.113, § 403.116(b), or § 403.118 are returned to the State and the State is unable to reallocate those amounts according to those sections in time for the amounts to be obligated in the fiscal or program year, the State shall retain the amounts to be distributed in combination with amounts reserved under § 403.112(b), § 403.113, § 403.116(b), or § 403.118 for the following fiscal or program year.

(Authority: 20 U.S.C. 2341c)

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