

paragraphs (b)(11) or (b)(13)(xiii) of this section, it must comply with the provisions of §§ 628.3, 628.6, 628.10 and 628.41 through 628.47 of this chapter with regard to the use of those funds, except—

(1) The definition of the term “endowment fund income” in § 628.6 of this chapter does not apply. For the purposes of this paragraph (d), “endowment fund income” means an amount equal to the total value of the fund, including fund appreciation and retained interest and dividends, minus the endowment fund corpus.

(2) Instead of the requirement in § 628.10(a) of this chapter, the grantee institution must match each dollar of Federal grant funds used to establish or increase an endowment fund with one dollar of non-Federal funds; and

(3) Instead of the requirements in § 628.41(a)(3) through (a)(5) and the introductory text in § 628.41(b) and § 628.41(b)(2) and (b)(3) of this chapter, if a grantee institution decides to use any of its grant funds for endowment purposes, it must match those grant funds immediately with non-Federal funds when it places those funds into its endowment fund.

(Authority: 20 U.S.C. 1057 *et seq.*)

[52 FR 30529, Aug. 14, 1987, as amended at 59 FR 41923, Aug. 15, 1994; 60 FR 15447, Mar. 23, 1995; 64 FR 70154, Dec. 15, 1999; 65 FR 79310, Dec. 19, 2000]

**Subpart B—How Does an Institution Apply for a Grant?**

**§ 607.11 What must be included in individual development grant applications?**

In addition to the information needed by the Secretary to determine whether the institution should be awarded a grant under the funding criteria contained in subpart C, an application for a development grant must include—

(a) The institution’s comprehensive development plan;

(b) A description of the relationship of each activity for which grant funds are requested to the relevant goals and objectives of its plan;

(c) A description of any activities that were funded under previous development grants awarded under the Strengthening Institutions Program that expired within five years of when

the development grant will begin and the institution’s justification for not completing the activities under the previous grant, if applicable; and

(d) If the applicant is applying to carry out more than one activity—

(1) A description of those activities that would be a sound investment of Federal funds if funded separately;

(2) A description of those activities that would be a sound investment of Federal funds only if funded with the other activities; and

(3) A ranking of the activities in preferred funding order.

(Approved by the Office of Management and Budget under control number 1840-0114)

(Authority: 20 U.S.C. 1057 *et seq.*)

[52 FR 30529, Aug. 14, 1987, as amended at 59 FR 41924, Aug. 15, 1994; 60 FR 15447, Mar. 23, 1995; 64 FR 70155, Dec. 15, 1999]

**§ 607.12 What must be included in cooperative arrangement grant applications?**

(a)(1) Institutions applying for a cooperative arrangement grant shall submit only one application for that grant regardless of the number of institutions participating in the cooperative arrangement.

(2) The application must include the names of each participating institution, the role of each institution, and the rationale for each eligible participating institution’s decision to request grant funds as part of a cooperative arrangement rather than as an individual grantee.

(b) If the application is for a development grant, the application must contain—

(1) Each participating institution’s comprehensive development plan;

(2) The information required under § 607.11; and

(3) An explanation from each eligible participating institution of why participation in a cooperative arrangement grant rather than performance under an individual grant will better enable it to meet the goals and objectives of its comprehensive development plan at a lower cost.

(4) The name of the applicant for the group that is legally responsible for—

(i) The use of all grant funds; and

## § 607.13

(ii) Ensuring that the project is carried out by the group in accordance with Federal requirements.

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(Authority: 20 U.S.C. 1066 and 1069)

[52 FR 30529, Aug. 14, 1987, as amended at 59 FR 41924, Aug. 15, 1994]

### § 607.13 How many applications for a development grant may an institution submit?

In any fiscal year, an institution of higher education that meets the eligibility requirements under sections 311, 316, and 317 of the HEA may—

(a) Submit an application for a development grant authorized under sections 311, 316, and 317 of the HEA; and

(b) Be part of a cooperative arrangement application.

(Authority: 20 U.S.C. 1057, 1069)

[59 FR 41924, Aug. 15, 1994, as amended at 64 FR 70155, Dec. 15, 1999]

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

### § 607.20 How does the Secretary choose applications for funding?

(a) The Secretary evaluates an application on the basis of the criteria in—

(1) Sections 607.21 and 607.23 for a planning grant; and

(2) Sections 607.22, 607.23, 607.24, and 607.25 for a development grant.

(b)(1) With regard to applicants that satisfy the requirements of paragraph (d) of this section, for each fiscal year, the Secretary awards individual development grants to applicants that are not individual development grantees under this part, before the Secretary awards an individual development grant to any applicant that is an individual grantee under this part.

(2) For purposes of paragraph (b)(1) of this section, an institution that is a recipient of a cooperative arrangement grant is not an individual grantee under this part.

(c)(1) The Secretary awards up to 100 points for the criteria in § 607.21 and up to 100 points for the criteria in § 607.22.

(2) The maximum possible score for each complete criterion is in parentheses.

## 34 CFR Ch. VI (7-1-04 Edition)

(d)(1) The Secretary considers funding an application for a planning grant that scores at least 50 points under § 607.21.

(2) The Secretary considers funding an application for a development grant that—

(i) Scores at least 50 points under § 607.22;

(ii) Is submitted with a comprehensive development plan that satisfies all the elements required of such a plan under § 607.8; and

(iii) In the case of an application for a cooperative arrangement grant, demonstrates that the grant will enable each eligible participant to meet the goals and objectives of its comprehensive development plan better and at a lower cost than if each eligible participant were funded individually.

(Authority: 20 U.S.C. 1057-1059, 1066-1069f)

[59 FR 41924, Aug. 15, 1994, as amended at 60 FR 15447, Mar. 23, 1995; 64 FR 70155, Dec. 15, 1999]

### § 607.21 What are the selection criteria for planning grants?

The Secretary uses the following criteria to evaluate an application to determine whether the applicant will produce a good comprehensive development plan and a fundable Strengthening Institutions Program application:

(a) *Design of the planning process.* (Total: 60 points) The Secretary reviews each application to determine the quality of the planning process that the applicant will use to develop a comprehensive development plan and an application for a development grant based on the extent to which—

(1) The planning process is clearly and comprehensively described and based on sound planning practice (15 points);

(2) The president or chief executive officer, administrators and other institutional personnel, students, and governing board members systematically and consistently will be involved in the planning process (15 points);

(3) The applicant will use its own resources to help implement the project (10 points); and

(4) The planning process is likely to achieve its intended results (20 points).