

§ 604.10

(b) *Definitions that apply to this part.* The following definitions apply to this part:

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

Applicable programs means the Continuing Education Outreach program, the State Student Incentive Grant program, and the Undergraduate Academic Facilities Grant program.

(Authority: 20 U.S.C. 1143)

Subpart B—Federal-State Relationship Agreements

§ 604.10 Administrative requirements.

The agreement shall contain the following assurances and a description of the means by which they will be met:

(a) Management practices and procedures will assure proper and efficient administration of each applicable program. The description of these methods shall include the identification of the State entity or entities designated to administer each applicable program as well as the name of the responsible official.

(b) Appropriate fiscal control and fund accounting procedures will be provided for Federal funds received under all titles of the Act.

(c) Federal funds under the applicable programs will not supplant non-Federal funds.

(d) Equitable and appropriate criteria will be used in evaluating applications for subgrants or proposals for contracts under each applicable program.

(Authority: 20 U.S.C. 1143)

§ 604.11 Planning requirements.

(a) The agreement shall contain an assurance by the State that it has a comprehensive planning or policy formulation process which:

(1) Considers the relationship between State administration of each applicable program and administration of similar State programs or processes;

(2) Encourages State policies that consider the effects of declining enrollments on all sectors of postsecondary education within the State;

(3) Considers the postsecondary educational needs of unserved and underserved individuals within the State, in-

cluding individuals beyond traditional college age;

(4) Considers the resources of public and private institutions, organizations, and agencies within the State that are capable of providing postsecondary educational opportunities; and

(5) Provides for direct, equitable, and active participation in the comprehensive planning or policy formulation processes by representatives of institutions of higher education—including community colleges, proprietary institutions, and independent colleges and universities—other providers of postsecondary education services, students, and the general public in the State.

(i) Participation shall be achieved through membership on State planning commissions, State advisory councils, or other State entities established by the State to conduct federally assisted comprehensive planning or policy formulation.

(ii) Participation shall be consistent with State law.

(b) The agreement shall include a description of the planning or policy formulation process through which these assurances will be fulfilled.

(Authority: 20 U.S.C. 1143)

§ 604.12 Changes in the agreement.

(a) The agreement shall remain in effect until substantial changes in administrative practices or planning processes would require its modification.

(b) Routine organizational or personnel changes are not subject to prior modification of the agreement, but information concerning these changes shall be promptly communicated to the Secretary.

(Authority: 20 U.S.C. 1143)

§ 604.13 Denial of eligibility.

(a) If the Secretary finds that there is a failure to comply substantially with the assurances of § 604.10 then the Secretary, after giving a State reasonable notice and the opportunity for a hearing, shall notify the State that it is ineligible to participate in any applicable program.

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(b) To regain eligibility, a State must satisfy the Secretary that the failure to comply has been remedied.

(Authority: 20 U.S.C. 1143)

PART 606—DEVELOPING HISPANIC-SERVING INSTITUTIONS PROGRAM

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AUTHORITY: 20 U.S.C. 1101 *et seq.*, unless otherwise noted.

SOURCE: 64 FR 70147, Dec. 15, 1999, unless otherwise noted.

Subpart A—General

§ 606.1 What is the Developing Hispanic-Serving Institutions Program?

The purpose of the Developing Hispanic-Serving Institutions Program is to provide grants to eligible institutions of higher education to—

(a) Expand educational opportunities for, and improve the academic attainment of, Hispanic students; and

(b) Expand and enhance the academic offerings, program quality, and institutional stability of colleges and universities that are educating the majority of Hispanic college students and helping large numbers of Hispanic students and other low-income individuals complete postsecondary degrees.

(Authority: 20 U.S.C. 1101)

§ 606.2 What institutions are eligible to receive a grant under the Developing Hispanic-Serving Institutions Program?

(a) An institution of higher education is eligible to receive a grant under this part if—

(1) At the time of application, it has an enrollment of undergraduate full-time equivalent students that is at least 25 percent Hispanic students;

(2) It provides assurances that not less than 50 percent of its Hispanic students are low-income individuals;

(3) It has an enrollment of needy students as described in § 606.3(a), unless the Secretary waives this requirement under § 606.3(b);

(4) It has low average educational and general expenditures per full-time equivalent undergraduate student as described in § 606.4(a), unless the Secretary waives this requirement under § 606.4(c);

(5) It is legally authorized by the State in which it is located to be a junior college or to provide an educational program for which it awards a bachelor's degree; and