

DEPARTMENT OF EDUCATION

[CFDA No. 84.031A, CFDA No. 84.031G]

Notice Inviting Applications for Designation as an Eligible Institution for Fiscal Year 1998 for the Strengthening Institutions Program**Purpose**

The Secretary announces closing dates for applications from institutions that wish to be designated as an eligible institution under the Strengthening Institutions Program authorized under Title III, part A of the Higher Education Act of 1965, as amended (HEA). If an institution qualifies as an eligible institution under that program, it is eligible to receive program funds if it submits a successful grant application. It is also eligible to have certain of its matching requirements waived under the Federal Supplemental Educational Grant (FSEOG) and Federal Work Study (FWS) Programs. Moreover, the institution is eligible for a waiver even if it does not apply for a grant under the Strengthening Institutions Program. (The FSEOG and FWS programs are student financial assistance programs authorized under Title IV of the HEA.)

The Department will hold a Fiscal Year 1998 funding competition for new awards under the Strengthening Institutions Program and will publish a closing date notice in a future **Federal Register**. (There will be no competition for new awards under the Hispanic-Serving Institutions and Endowment Challenge Grant Programs because no funds were appropriated for those awards.)

An institution that wishes to be designated as an eligible institution under the Strengthening Institutions Program for any purpose must submit its application to the Department by February 2, 1998.

If an institution submits its application by December 29, 1997, the Department will notify the applicant of its eligibility status by February 2, 1998. If an applicant believes it failed to be designated as an eligible institution because of errors in its application or insufficient information in its waiver request, it may submit an amended application to the Department no later than March 20, 1998.

If an applicant submits its initial application after December 29, 1997, but on or before February 2, 1998, the Department does not guarantee that it will be able to review the application and notify the applicant in time for the applicant to submit an amended application by March 20, 1998, the deadline date for amended applications.

An applicant will not be designated as an eligible institution if the applicant misses the February 2, 1998 deadline for initial applications or the March 20, 1998 deadline for amended applications. The Department strongly recommends that applicants apply by December 29, 1997 to take advantage of the opportunity to amend unapproved applications.

Deadline for Transmittal of Applications

December 29, 1997 for early applications, February 2, 1998 for all initial applications, and March 20, 1998 for amended applications. These deadlines apply to institutions of higher education that anticipate competing for new awards under the Strengthening Institutions Program, and for institutions that plan to obtain a waiver of certain non-Federal share requirements under the FSEOG and FWS Programs.

Applications Available

November 20, 1997.

Eligibility Information

To qualify as an eligible institution an applicant must (1) be accredited or preaccredited by a nationally recognized accrediting agency; (2) be legally authorized by the State in which it is located to be a junior or community college or to provide a bachelor's degree program; and (3) have a high enrollment of needy students. In addition, its educational and general (E&G) expenditures per full-time equivalent (FTE) undergraduate student must be low in comparison with the average E&G expenditures per FTE undergraduate student of institutions that offer similar instruction. The complete eligibility requirements are found in the Strengthening Institutions Program regulations, 34 CFR 607.2–607.5.

Enrollment of Needy Students

Under 34 CFR § 607.3(a), an institution is considered to have a high enrollment of needy students if—(1) At least 50 percent of its degree students received financial assistance under one or more of the following programs: Federal Pell Grant, FSEOG, FWS, and Federal Perkins Loan Programs; or (2) the percentage of its undergraduate degree students who were enrolled on at least a half-time basis and received Federal Pell Grants exceeded the median percentage of undergraduate degree students who were enrolled on at least a half-time basis and received Federal Pell Grants at comparable institutions that offered similar

instruction. To qualify under this latter criterion, an institution's Federal Pell Grant percentage for base year 1995–96 must be more than the median for its category of comparable institutions provided in the table in this notice.

Educational and General Expenditures per Full-Time Equivalent Student

An institution should compare its average E&G expenditures per FTE student to the average E&G expenditure per FTE student for its category of comparable institutions contained in the table in this notice. If the institution's average E&G expenditure for the 1995–1996 base year is less than the average for its category of comparable institutions, it meets this eligibility requirement.

An institution's E&G expenditures are the total amount it expended during the base year for instruction, research, public service, academic support, student services, institutional support, operation and maintenance, scholarships and fellowships, and mandatory transfers.

The following table identifies the relevant median Federal Pell Grant percentages and the average E&G expenditures per FTE student for the 1995–96 base year for the four categories of comparable institutions:

	Median Federal Pell Grant percentage	Average E&G expenditure per FTE student
2-year Public Institutions	30.16	\$7,114
2-year Non-Profit Private Institutions	31.57	11,704
4-year Public Institutions	28.00	16,594
4-year Non-Profit Private Institutions	28.53	22,479

Waiver Information

Institutions of higher education that are unable to meet the needy student enrollment requirement or the E&G expenditure requirement may apply to the Secretary for waivers of these requirements, as described in 34 CFR 607.3(b) and 607.4(c) and (d).

Institutions requesting a waiver of the needy student requirement must include the detailed information as set forth in the instructions for completing the application.

The waiver authority provided in 34 CFR 607.3(b)(2) and (3), refers to “low-income” students and families. The regulations define “low-income” as an amount that does not exceed 150 percent of the amount equal to the poverty level in 1995–97 base year as established by the U.S. Bureau of the

Census, 34 CFR 607.3(c). For the purposes of this waiver provision, the following table sets forth the low-income levels for the various sizes of families:

1995-96 BASE YEAR LOW-INCOME LEVELS

Size of family unit	Contiguous 48 States, the District of Columbia, and outlying jurisdictions	Alaska	Hawaii
1	\$11,205	\$14,010	\$12,915
2	15,045	18,810	17,325
3	18,885	23,610	21,735
4	22,725	28,410	26,145
5	26,565	33,210	30,555
6	30,405	38,010	34,965
7	34,245	42,810	39,375
8	38,085	47,610	43,710

For family units with more than eight members, add the following amount for each additional family member: \$3,840 for the contiguous 48 states, the District of Columbia and outlying jurisdictions; \$4,800 for Alaska; and \$4,410 for Hawaii.

The figures shown as low-income levels represent amounts equal to 150 percent of the family income levels established by the U.S. Bureau of the Census for determining poverty status. The Census levels were published by the U.S. Department of Health and

Human Services in the **Federal Register** on February 9, 1995 (Volume 60, Number 27, pages 7772-7774).

In reference to the waiver option specified in § 607.3(b)(4) of the regulations, information about "metropolitan statistical areas" may be obtained by requesting the *Metropolitan Statistical Areas, 1993*, order number PB 93-192664, from the National Technical Information Services, Document Sales, 5285 Port Royal Road, Springfield, Virginia 22161, telephone number (703) 487-4650. There is a charge for this publication.

Applicable Regulations

Regulations applicable to the eligibility process include the Strengthening Institutions Program Regulations in 34 CFR part 607, and the Education Department General Administrative Regulations in 34 CFR parts 74, 75, 77, 82, 85, and 86.

For Applications or Information Contact

Blanca Westgate or Jane Wrenn, Institutional Development and Undergraduate Education Service, U.S. Department of Education, 600 Independence Avenue, S.W., (Portals CY-80) Washington, D.C. 20202-5335. Telephone: (202) 708-8866, 708-9926 and 708-8839. Individuals who use a telecommunications device for the deaf (TDD) may call the Federal Information Relay Service (FIRS) at 1-800-877-8339 between 8 a.m. and 8 p.m., Eastern time, Monday through Friday.

Individuals with disabilities may obtain this document in an alternate format (e.g., Braille, large print, audio tape, or computer diskette) on request to the contact person listed in the preceding paragraph.

Individuals with disabilities may obtain a copy of the application package in an alternate format, also, by contacting that person. However, the Department is not able to reproduce in an alternate format the standard forms included in the application package.

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Program Authority: 20 U.S.C. 1057, 1059c and 1065a.

Dated: November 5, 1997.

David A. Longanecker,
Assistant Secretary for Postsecondary Education.

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