shall pay the fellow a stipend in an amount that equals the fellow’s financial need or $10,000, whichever is less.

(b) For a fellowship initially awarded for the academic year 1993–94, or any succeeding academic year, the institution shall pay the fellow a stipend at a level of support equal to that provided by the National Science Foundation graduate fellowships, except that this amount must be adjusted as necessary so as not to exceed the fellow’s demonstrated level of financial need as determined under part F of title IV of the HEA. The Secretary announces the amount of the stipend in a notice published in the Federal Register.

(Authority: 20 U.S.C. 1135c)

§ 648.52 What is the amount of the institutional payment?

(a) For academic year 1998–1999, the amount of the institutional payment received by an institution of higher education for each student awarded a fellowship at the institution is $10,222. Thereafter, the Secretary adjusts the amount of the institutional payment annually in accordance with inflation as determined by the United States Department of Labor’s Consumer Price Index for the previous calendar year. The Secretary announces the amount of the institutional payment in a notice published in the Federal Register.

(b) The institutional allowance paid under paragraph (a) of this section is reduced by the amount the institution charges and collects from a fellowship recipient for tuition and other expenses as part of the recipient’s instructional program.

(Authority: 20 U.S.C. 1135d)

§ 648.60 When does an academic department make a commitment to a fellow to provide stipend support?

(a) An academic department makes a commitment to a fellow at any point in his or her graduate study for the length of time necessary for the fellow to complete the course of graduate study, but in no case longer than five years.

(b) An academic department shall not make a commitment under paragraph (a) of this section to provide stipend support unless the academic department has determined that adequate funds are available to fulfill the commitment either from funds received or anticipated under this part or from institutional funds.

(Authority: 20 U.S.C. 1135c)

§ 648.62 How can the institutional payment be used?

(a) The institutional payment must be first applied against a fellow’s tuition and fees.

(b) After payment of a fellow’s tuition and fees, the institutional payment may be applied against educational expenses of the fellow that are not covered by tuition and fees and are related to the academic program in which the fellow is enrolled. These expenses include the following:

(1) Costs for rental or purchase of any books, materials, or supplies required of students in the same course of study.

(2) Costs of computer hardware, project specific software, and other equipment prorated by the length of the student’s fellowship over the reasonable life of the equipment.

(3) Membership fees of professional associations.

(4) Travel and per diem to professional association meetings and registration fees.

(5) International travel, per diem, and registration fees to participate in educational activities.

(6) Expenses incurred in research.