

DEPARTMENT OF EDUCATION**Office of Elementary and Secondary Education****Consolidated State Plans Under Section 14302 of Title I of the Improving America's Schools Act**

AGENCY: Department of Education.

ACTION: Notice of proposed criteria and request for comment.

SUMMARY: The Department of Education proposes criteria for optional State consolidated plans submitted under section 14302 of the Elementary and Secondary Education Act of 1965 (ESEA), as recently reauthorized by the Improving America's Schools Act, Pub. L. 103-382 (IASA). Submitting a consolidated plan will allow a State to obtain funds under many Federal programs through a single plan, rather than through separate and detailed program funding plans or applications. The consolidated plan would explain how all of the resources of Federal programs included in the plan would work together to promote the State's educational goals for all students while effectively meeting the needs of the programs' intended beneficiaries. To receive fiscal year (FY) 1995 program funds, a State educational agency (SEA) would need only to describe how it would develop its final plan over the following year, and to submit basic information needed to ensure fiscal accountability.

DATES: Written comments must be received on or before February 13, 1995.

ADDRESSES: All comments should be addressed to Thomas W. Payzant, Assistant Secretary for Elementary and Secondary Education, U.S. Department of Education, 600 Independence Avenue SW., Washington, DC 20202-6100. The Internet address for submitting comments is: consolidated__plan@ed.gov. The fax number is (202) 205-0303.

FOR FURTHER INFORMATION CONTACT: William Wooten, Office of Elementary and Secondary Education, U.S. Department of Education, 600 Independence Avenue SW., Washington, DC 20202-6100. Telephone: (202) 260-1922. The Internet address is: consolidated__plan@ed.gov. The fax number is (202) 205-0303. 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.

SUPPLEMENTARY INFORMATION: Section 14302 of the ESEA, as reauthorized by Title I of the IASA, permits the Secretary to establish criteria under which any SEA may obtain certain Federal program funds through a single consolidated plan rather than through separate funding applications or plans. As explained in section 14301, this consolidated plan would enhance cross-program coordination, planning and service delivery, and the integration of Federal program services with services offered by States and localities as keys to increased student achievement.

So that the development and use of consolidated plans can achieve their maximum potential, the Secretary proposes to offer States a two-phase process for completing their consolidated plans: (1) Submission in the spring of 1995 of a relatively simple preliminary plan, followed by (2) the State's development and submission the next year of a final consolidated plan. This final plan would focus specifically on how the Federal programs included in the plan, while still serving their intended beneficiaries, would support State goals and education reform strategies. In developing its consolidated plan, a State is encouraged to consider the relationship of this plan to the State's overall reform efforts, including efforts under the Goals 2000: Educate America Act or the School-to-Work Opportunities Act. A State also is encouraged to consider what waivers it may need to carry out its reforms effectively. Finally, each State is encouraged to consider how its local educational agencies (LEAs) and schools can tap the full potential of consolidated plans at the local level through the authority offered to them under section 14305 of the ESEA.

These provisions for development of consolidated State plans—particularly when coupled with the Secretary's new waiver authority, contained in section 14401 of the ESEA (as well as in the Goals 2000 and School-to-Work statutes) and other provisions of the IASA that offer new opportunities for flexibility—also enable the Department to refocus its administration of programs in ways that can better assist a State in meeting its education goals and objectives. Indeed, the information contained in a consolidated plan may help to clarify why an SEA or LEA needs a waiver of certain program requirements in order to improve student achievement. The Department will soon issue separate guidance describing the process for obtaining waivers of programmatic requirements under section 14401.

Development of a consolidated State plan, either in preliminary or final form,

is voluntary. It is the State's decision whether to submit a consolidated plan, which of the eligible programs to include in it if one is submitted, and whether to add to a final consolidated plan programs that were not included in a preliminary plan. Moreover, an SEA that submits a preliminary plan for FY 1995 could choose to forgo development of the final consolidated plan during the following year, and instead submit individual program plans or applications. Likewise, an SEA that chooses for FY 1995 to submit individual program plans or applications could, in any subsequent fiscal year, submit a final consolidated plan.

Approval of a consolidated plan, whether in preliminary or final form, permits the Secretary to award funds under the programs included in the plan. Approval of a consolidated plan also eliminates the need for an SEA, under those included programs, to submit separate program applications or develop separate program planning documents that otherwise would be required by the program statutes. Moreover, approval of a consolidated plan establishes a different context for any Departmental review of an SEA's administration of the included programs.

The Secretary stresses that approval of a consolidated plan does *not* alter the obligation of an SEA and its grantees to continue to comply with all requirements of each program, including those that would have been described in plan or application descriptions or assurances under the statute. (See further discussion and examples under "Assurances" to be submitted as part of the first-year (preliminary) consolidated plan.) In addition, while an SEA that meets the conditions of section 14201 of the ESEA may consolidate administrative funds under specified programs, approval of a consolidated State plan does not authorize commingling of program funds. However, the Secretary is authorized to waive certain program requirements under waiver provisions contained in the IASA, the Goals 2000: Educate America Act, and the School-to-Work Opportunities Act.

The remainder of this notice identifies the programs that might be included in a consolidated plan, and proposed questions that a State might address in both the preliminary and final consolidated plans. Appendix A to this document contains the Department's preliminary guidance on the consolidated plan; this guidance was provided to members of the public who attended a Federal program conference

in Baltimore, Maryland, on December 2, 1994. Subject to review of the comments received on this proposal, the Secretary plans to announce final criteria for consolidated State plans in February, 1995.

Programs That a State May Include in a Consolidated Plan

Section 14302 permits an SEA to include any of the following State-administered programs in its consolidated State plan:

- (1) Title I, Part A of the ESEA (LEA Program).
- (2) Title I, Part B of the ESEA (Even Start Program).
- (3) Title I, Part C of the ESEA (Migrant Education).
- (4) Title I, Part D of the ESEA (Neglected, Delinquent, or At-Risk Children).
- (5) Title II of the ESEA (State and local programs) (Professional Development).
- (6) Title III, Part A, subpart 2 of the ESEA (Technology for Education).
- (7) Title IV, Part A (other than the Governor's Programs in section 4114) of the ESEA (Safe and Drug-Free Schools and Communities).
- (8) Title VI of the ESEA (Innovative Education Program Strategies (formerly Chapter 2)).
- (9) State leadership programs under Title II of the Carl D. Perkins Vocational and Applied Technology Education Act (Perkins Act).
- (10) Programs under the Goals 2000: Educate America Act.
- (11) Programs under the School-to-Work Opportunities Act.

In addition, under section 14302(a)(2)(F) of the ESEA, the Secretary proposes to designate the following additional programs that a State may include in a consolidated plan:

- (12) Subtitle B of Title VII of the Stewart B. McKinney Homeless Assistance Act (the Education for Homeless Children and Youth program) (enacted in Title III, Part B of the IASA).
- (13) All other State formula grant programs under the Perkins Act.

The Secretary is considering whether to designate Title VII, Part C of the ESEA (the Emergency Immigrant Education Program) for possible inclusion in the consolidated State plan, but is not proposing to do so at this time in view of the significant relationship of this program to other Federal initiatives for addressing immigration-related issues.

Certain programs that the statute specifically identifies for possible inclusion in a consolidated State plan, such as the Technology for Education

program in Title III, Part A, subpart 2 of the ESEA, are competitive, rather than formula, grant programs. These competitive programs (and others that the Secretary later may designate) can promote innovation in specific aspects of a State's reform effort, and so can play an important role in a consolidated State plan for the overall use of Federal program funds. On the other hand, competitive grant programs present special challenges for consolidated plans; not only must their applications be reviewed against competitive selection criteria and processed on a longer time-line than is needed for formula grant programs, but the programs often fund projects with a National purpose. Until these competing principles can be better resolved, the Secretary proposes that an SEA that includes a competitive grant program in its consolidated State plan still will need to meet the application content, selection criteria, and closing dates established for that program.

As stated in the "Invitation to Comment" section of this notice, the public is invited to suggest other grant programs, both formula and discretionary, that should be available for inclusion in a consolidated State plan, and how that plan can best accommodate these other programs.

The Preliminary (First-Year) Consolidated Plan Descriptions

The preliminary consolidated plan for FY 1995 program funds would identify the Federal programs that the plan covers, and address the following three areas with respect to the programs included in it:

1. Goals or Objectives

What are the goals and objectives that the SEA hopes to achieve through the development and use of a consolidated program plan, and how do they relate to the needs of the intended beneficiaries of programs included in the plan? In answering these questions, include:

- Ways in which consolidated plans for use of Federal program funds are already being developed and used, and the impediments to success that are now most evident.

2. Process for Developing the Final Consolidated Plan

What process and timelines will the SEA use during the following year to develop its final consolidated plan? Include the State's strategies for—

- Coordinating the planning for the use of Federal program funds with the State's overall education reform efforts (including planning under Goals 2000

and School-to-Work for participating States).

- Bringing together all key individuals—Governors, State program officials, LEA and school administrators, teachers, adult education administrators, parents, and others who can play a key role in coordinating and integrating each program included in the plan with State and locally funded activities—in the development and review of the final consolidated State plan.

3. Fiscal Accountability

To ensure fiscal accountability and the availability of information that the Secretary needs to distribute program funds, provide for each included program, where applicable—

- The amount of funds provided under each program that will be used to carry out State-level activities (whether or not those activities are performed by the SEA), and a general description of how these funds will be used.
- The procedures and criteria that the SEA will use to distribute program funds within the State where the program statute provides no in-State funding formula. (Programs that the Secretary thus far has identified as having no statutory in-State funding formula are the following: Even Start, Migrant Education, Neglected, Delinquent, or At-Risk Children (the local agency program in Part D, Subpart 2), Safe and Drug-Free Schools and Communities, Innovative Education, McKinney Homeless Assistance, and the Perkins Act, Title III.)

- The amount of funds, if any, provided under each program that the State would consolidate for State administration under section 14201 of the ESEA, along with a statement confirming that the SEA has determined that a majority of its resources come from non-Federal sources.

Assurances

In addition, an SEA also would provide in its preliminary plan a set of assurances that include the following:

- Those required by section 14306 of the ESEA, which are repeated in Appendix B.
- A general assurance that, unless and until these requirements are waived, the SEA and its subgrantees will continue to comply with all operational requirements of each program, including those that the program statute may express in terms of application or plan descriptions or assurances.

Example 1: An SEA includes the Migrant Education Program (MEP) (Title I, Part C of the ESEA) in its preliminary

consolidated plan. The SEA does not need to submit a State application, or any of the descriptions described in section 1304 of Title I, Part C. It also does not need to prepare the separate comprehensive service-delivery plan, as otherwise required for the MEP under section 1306(a) of the ESEA; that MEP plan is not required because it is addressed within the consolidated State plan. However, the SEA's receipt of MEP funds under an approved, preliminary consolidated plan still would require the SEA to develop and carry out activities for migratory children as identified in the comprehensive plan requirements of section 1306(a).

Example 2: An SEA includes the Safe and Drug-Free Schools and Communities program (Title IV, Part A, of the ESEA) in its preliminary consolidated plan. The SEA does not need to submit the State application under section 4112 of Title IV, Part A, or any of the application descriptions, such as the description contained in section 4112(b)(4) of how the SEA will coordinate its program activities with the Governor's drug and violence prevention programs funded under section 4114, and prevention efforts of other State agencies. However, the SEA's receipt of Safe and Drug-Free Schools and Communities program funds under an approved, preliminary consolidated plan still would require the SEA to meet all applicable program requirements, including coordinating its program with relevant programs and activities of the Governor and other State agencies.

Example 3: An SEA includes the Title I, Part A (ESEA) program in its preliminary consolidated plan. The SEA does not need to submit the State plan, or any of the State plan descriptions described in section 1111 of Title I, Part A.

However, the SEA's receipt of Title I, Part A program funds under an approved, preliminary consolidated plan still would require the SEA to carry out all of the requirements contained in section 1111 with regard to standards and assessments and other provisions to support teaching and learning.

The Secretary is considering whether the final instructions for the preliminary consolidated plan should include a list, program-by-program, of all application and plan descriptions and assurances that the SEA's general assurance would cover in the absence of a waiver.

Relationship to the Goals 2000 and School-to-Work Initiatives

The Goals 2000 statute provides States and communities with an

opportunity to strengthen and broaden their education reform efforts by developing comprehensive plans to enable all children to learn to challenging academic standards. The School-to-Work Opportunities initiative may also play a significant role in a State's education reform efforts by helping to establish transition systems for youth that integrate challenging academic content with high quality work-based learning experience leading to postsecondary education and career-oriented entry into the workforce. A State's participation in these initiatives is voluntary, as it is with all Federal programs. States that choose to participate in Goals 2000 and School-to-Work are encouraged to integrate their development of consolidated State plans under section 14302 of the ESEA with their Goals 2000 and School-to-Work plans and activities. However, since these initiatives are designed as possible frameworks for the use of local, State and Federal resources to support a State's overall education reform strategy, the Secretary is not proposing that submission of a consolidated State plan, in either preliminary or final form, would alter application or planning requirements under Goals 2000 or School-to-Work.

The Final (Second-Year) Consolidated State Plan

The final consolidated plan will provide an opportunity for SEAs to consider how the resources of those Federal programs included in the plan can be used directly to support their States' overall improvement strategies. The following proposal for the content of this final plan reflects the Department's current thinking on what issues and questions a State might address in a final, second-year plan. After reviewing comment on this notice, the Department intends to continue collaboration with the public on modifications that may be needed, as well as on the formulation of additional examples that can better illustrate how States might address the questions presented.

Possible Issues To Be Addressed in a Final (Second-Year) Consolidated Plan

1. What is the SEA's vision (including specific goals) for improving its educational system throughout the State? How do these goals relate directly to raising student academic achievement, geared to challenging academic standards, of all children who benefit from Federal programs included in the consolidated plan? In answering these questions, the State must address the following:

- How the State will meet the standards and assessment requirements of Title 1, Part A, section 1111(b) of the ESEA to ensure the use of challenging academic content standards and high-quality assessments aligned with the standards.

- What goals and performance indicators will the State establish to determine the effectiveness of programs included in the plan (e.g., improved professional development based upon realigned teacher certification requirements under the Eisenhower Professional Development program (Title II, Part B of the ESEA), or additional performance indicators for safe and drug-free schools under the Safe and Drug-Free Schools and Communities program (Title IV, Part A of the ESEA).

2. How will the Federal resources of those programs support, on the basis of identified needs, State and local efforts to reach the State's specific goals and enable intended program beneficiaries to reach the challenging academic standards established in the State? (The Secretary recognizes that, given varying SEA responsibilities for the programs that a State might include in its consolidated plan, not all of the issues raised by this question may be equally relevant to individual programs.)

Example 1: If a State determines that one of its goals to improve education is increasing the percentage of youth who complete high school, the State might describe how Federal program funds fit into State efforts to reach that goal.

Example 2: If the State has established overall goals for professional development, it should describe how it will use resources (not limited to Title II, ESEA) to reach these goals.

In answering Question 2, a State should consider addressing such critical areas as the following:

- How the needs of children served by the program are identified.

- The most significant barriers to more effective use of Federal funds, and how the State and individual programs will work together to overcome these barriers.

- Any waivers of Federal statutes or regulations the State may need to support its consolidated plan.

- How program administrators in the State will maintain the kind of communication and coordination needed to draw effectively on all Federal resources as outlined in the plan.

- How program administrators throughout the State will make the strategies outlined in the consolidated plan part of their daily work.

- If a State chooses to consolidate its use of State administration funds (under section 14201 of the ESEA), how the consolidation of these funds relates to the consolidated State plan under section 14302.

- Any critical timelines and benchmarks that will guide related and ongoing activities.

3. How will the State enable interested local educational agencies, in accordance with section 14305 of the ESEA, to develop their own consolidated plans for the use of Federal funds, and help to develop the capacity of LEAs and schools to use all of their funds to support high academic achievement for all intended program beneficiaries?

4. For an individual school whose activities are supported with Federal funds, how can the needs of its students be better met through implementation of the consolidated plan? The answer to this question might illustrate how a State's thinking about the usefulness of a consolidated plan is rooted in the daily activities of schools and students.

An SEA also would provide an update on any significant changes in the procedures for distribution of funds, as well as in the amounts and general uses of funds reserved for administrative and State-level activities, from those described in the preliminary consolidated plan.

Review of Consolidated Plans

The Secretary proposes that the State's preliminary consolidated plan be approved without peer review, but is strongly considering using a peer review process that involves the assistance and advice of State officials, and others with relevant expertise, for approving the final State consolidated plan.

Public Participation Requirements

Section 14303(7) of the ESEA requires, as one of the SEA's general assurances, that "before the [consolidated plan] was submitted to the Secretary, the State has afforded a reasonable opportunity for public comment on the plan * * * and has considered such comment." (This assurance applies both to consolidated State plans under section 14302 and to all individual State plans or applications submitted under individual programs.)

Invitation to Comment

The Secretary invites comments from all interested members of the public on this proposal for the content of the consolidated State plan. The Secretary is particularly interested in receiving comments on whether—

- There are additional grant programs, either formula or discretionary, that the Secretary should consider designating for possible inclusion in a consolidated State plan, and how that plan can best accommodate these programs.

- The proposed contents of the preliminary (first-year) consolidated plan are reasonable and whether they need to be modified or clarified.

- The issues proposed to be addressed in the final, (second-year) consolidated plan are clearly expressed and properly formulated, and what additional examples, if any, should be included to clarify the kind of information that the State would need to provide.

All comments submitted in response to this notice will be available for public inspection, during and after the comment period, in room 4000, Portals Building, 1250 Maryland Avenue SW., Washington, DC 20202.

Dated: January 6, 1995.

Thomas W. Payzant,

Assistant Secretary for Elementary and Secondary Education.

Appendix A—Department of Education Preliminary Guidance Document: The IASA Consolidated Plan (December 1, 1994)

(Note: This document was distributed to those who attended the Office of Elementary and Secondary Education/Office of Bilingual Education and Minority Languages Affairs conference in Baltimore, Maryland, on December 2, 1994. It is intended to provide useful background information.)

A New Approach

- The recently enacted Improving America's Schools Act (IASA) stresses, in a variety of ways, the need to rethink how Federal, State and local education programs can fit together into a unified system that focuses on one principal goal: Enabling all students to achieve to challenging standards. The Act reinforces the Federal government's *limited* supporting role in this effort. At the same time, it encourages the Secretary of Education to remove barriers to State and local efforts to meet student educational needs. Indeed, the IASA permits the Secretary to take steps to ensure that the way in which the Department administers its programs is itself a part of, rather than a hindrance to, educational reform.

- The IASA authorizes the Secretary to waive statutes or regulations that impede efforts to increase the quality of student instruction or improve student academic performance. It also permits the Secretary to eliminate the need for States to submit to the Department a myriad of different program funding applications. Instead, the IASA authorizes submission of a single consolidated plan that, for the programs that it covers, focuses on cross-program coordination, integration of services and improved service delivery as keys to student achievement. This authority extends to State

formula grant programs in the Elementary and Secondary Education Act (ESEA),¹ as well as to the Goals 2000: Educate America Act, the School-to-Work Opportunities Act, and State leadership programs under the Perkins Vocational Education Act.

- To make educational reform truly comprehensive, its reach must extend beyond challenging content standards and new teaching methods to the very way in which we administer our many programs. A consolidated plan can become a driving force for thinking about how all Federal, State and local activities might work together in a common and coherent effort. Indeed, this consolidated plan, when used along with other means of promoting State systemic reform under the IASA, Goals 2000 and the School-to-Work Act, can go a long way toward helping all of us change the way in which we do business, so that student academic achievement, rather than individual program administration, truly is the focus of our work.

The Department's Strategy

General Approach to Consolidated Planning. The new authority that the IASA gives to the Secretary to approve a consolidated program plan offers an unprecedented opportunity to tap the full potential of Federal programs. This authority can convert the current program-by-program application process into a process for renewed thinking about how these programs collectively can fit together, notwithstanding their distinct purposes and different beneficiaries, to increase the quality of student instruction and the level of student academic performance.² A truly consolidated application—one that is more than a repackaged compilation of even the best individual program applications—can reflect the kind of broad, creative planning effort that is needed to complement other educational reform efforts and strategies.

The Department is working hard to develop criteria for a State's consolidated plan that can help State and local officials, teachers and other school staff, and parents begin to take advantage of the opportunities that a consolidated plan presents. Because the law was only recently passed, because the issues are complex, and because extensive collaboration with stakeholders is required, any decisions thus far are preliminary. However, knowing the substantial interest that the prospect of a consolidated plan has generated, and the reality that State planning under the IASA already has begun, the Department wants to offer whatever guidance that it currently can provide about what a plan might contain and how it might be developed. The Department expects to provide more information in coming weeks.

¹ The ESEA was reauthorized in Title I of the Improving America's Schools Act.

² Congress expressed the purpose of consolidating existing program applications into a single plan in section 14301 of the ESEA: "To improve teaching and learning by encouraging greater cross-program coordination, planning, and service delivery under this Act and enhanced integration of programs under this Act with educational activities carried out with State and local funds."

Because a spring 1995 deadline for plan submission and review would not permit full public discussion of how to achieve the maximum potential of consolidated planning, the Department intends to implement the IASA's consolidated plan provision in two stages. States choosing to submit a consolidated plan as the basis for its FY 1995 program funding will only have to prepare a first year "preliminary" plan. During the following year, these States would develop and submit a final, comprehensive, consolidated plan that will be the basis for program funding for FY 1996 and beyond. Each State that submits a consolidated plan under this process may choose among the programs that are eligible for inclusion under the Act. Submitting individual program applications for FY 1995 does not preclude a State from submitting a full comprehensive plan the following year.

The First Year Consolidated Plan. The preliminary consolidated plan for FY 1995 funding would describe—for programs that the State expects the final plan to cover—how the State will develop a specific and comprehensive plan to support the kinds of cross-program coordination, program integration and effective modes of service delivery that will better enable all children to achieve to challenging standards. This preliminary plan also would address certain program-by-program application requirements that the Secretary determines must be reviewed before FY 1995 grant awards are made. The Secretary intends to keep the number of these additional requirements that must be addressed in the preliminary plan to the minimum needed for basic accountability. The Secretary plans to announce these minimum-content requirements by mid-February, 1995.

State Planning Activities During the First Year. During the first year after the preliminary plan is approved, States would have the opportunity to continue their consolidated planning process. In doing so, States would be able, among other things, to: (1) engage in consolidated planning that is integrated with other broad-ranging and systemic efforts such as those under Goals 2000 and the School-to-Work Acts; and (2) request from the Department—as they can do at any time—waivers of program requirements that they may need to implement their consolidated plans effectively.

During this planning period, States also would be responsible for implementing the requirements of their individual programs whether or not those requirements were addressed in the preliminary consolidated plan.

The Final Consolidated Plan. On the basis of their comprehensive planning, States would develop and submit to the Secretary their final, comprehensive, consolidated plans. The Department soon will begin working with interested States and others to develop guidance on how consolidated State planning can support an integrated, Statewide service delivery system that promotes higher student achievement. These plans also might need to include some minimum program-specific information that will be determined by the Secretary in close

consultation with the field. Approval of this comprehensive plan—along with any waivers that may be needed to implement it—would be the basis on which funds for covered programs would be awarded for FY 1996 and beyond.

Questions and Answers

The following information tries to address significant questions about the Department's strategy for implementing the consolidated plan provisions in the IASA.

Q1. What programs may a State include in its consolidated plan?

(**Note:** The following answer contains both a limited number of minor clarifications to the list of programs that the statute specifically identifies for possible inclusion in a consolidated State plan, and those additional programs that the Secretary is proposing to designate for possible inclusion in the plan. These clarifications and additions, which are reflected in the foregoing notice, were made after release of the guidance document.)

A1. ESEA programs may include: Title I, Part A (LEA Program); Title I, Part B (Even Start); Title I, Part C (Migrant Education); Title I, Part D (Neglected, Delinquent, or At-Risk Children); Title II (State and local programs) (Professional Development); Title III, Part A, subpart 2 (Technology for Education); Title IV, Part A (other than the Governor's Programs in section 4114) (Safe and Drug-Free Schools and Communities); and Title VI (Innovative Education Program Strategies (formerly Chapter 2)). A State also may include the following non-ESEA programs: State leadership programs under Title II of the Carl D. Perkins Vocational and Applied Technology Education Act; Programs under the Goals 2000: Educate America Act; and Programs under the School-to-Work Opportunities Act. (See section 14302, and the definition of "covered program" in section 14101 of the ESEA.)

The IASA authorizes the Secretary to designate other programs that may be included as well. The Secretary proposes to designate Subtitle B of Title VII of the Stewart B. McKinney Homeless Assistance Act (the Education for Homeless Children and Youth program) (enacted in Title III, Part B of the IASA), and all other State formula grant programs under the Perkins Act. The Secretary plans to provide a final list of designated programs by mid-February.

Q2. Will States that submit a consolidated plan to the Department have the option of choosing which among these programs to include?

A2. Yes, selection of programs to include in a consolidated plan, like the decision to submit a consolidated plan at all, is entirely at the discretion of the State.

Q3. Will a State have to submit any other funding application for programs that are included in its consolidated plan?

A3. No. For programs that a State includes in its consolidated plan, that plan will substitute for any application requirements that are contained in the individual program statutes.

Q4. Since the ESEA authorizes the Secretary to approve many individual

program applications for the duration of the Act, why would review and approval of the consolidated plan be performed in two stages?

A4. Section 14301 of the ESEA, unlike many of the application requirements for individual programs, does not require the Secretary to approve a consolidated plan for any particular period of time. Rather, it gives the Secretary broad authority to "establish procedures and criteria" that will govern the process for submitting the consolidated plan. The Secretary believes that a two-stage process, with submission of an initial plan in the spring of calendar year 1995, followed later by submission of a more comprehensive plan, is the best and most practical way to promote the broad and critical thinking at all levels that is needed to develop a strong consolidated plan.

Q5. Could funds awarded under a consolidated plan be co-mingled and treated as if they were from one funding source?

A5. No, unless the State receives a waiver of existing requirements that govern the way it accounts for funds—perhaps as part of the State's overall reform strategy under Goals 2000. Otherwise, while the Secretary's approval of a consolidated plan permits the Department to award funds under each program that the plan covers, it does not change the existing responsibility of States to account for those funds separately.

Q6. Would the Secretary's approval of a consolidated plan in any way change the basic purposes or beneficiaries of programs that the plan covers?

A6. No.

Q7. For those programs that a State includes in its consolidated plan, would the State be expected to address any application requirements that are contained in individual program statutes?

A7. Yes. In order to administer programs properly, a State's consolidated plan also would need to address certain application requirements under individual program statutes that the Secretary determines must be reviewed before program grant awards are made.

Q8. If program application requirements are not addressed in the consolidated plan, do these requirements still have to be met?

A8. Yes. Unless a State receives a waiver of a requirement under the applicable authority in the IASA, Goals 2000, or School-to-Work Acts, the Secretary's approval of a consolidated plan eliminates the need to provide further application information, but does not affect the State's responsibility to meet requirements identified in program statutes.

Q9. Can a State that already has an approved plan under Goals 2000 use the plan as the basis of its IASA consolidated plan?

A9. Yes. In fact, the Department would encourage it to do so.

Q10. Will there be discussion with the public about the specific content and program-by-program information required to be included in the consolidated plan?

A10. Yes. Section 14302(b) of the Act requires the Secretary to collaborate with SEAs, and, as appropriate, with other State agencies, LEAs, public and nonprofit organizations and institutions, private

schools, and representatives of parents, students and teachers in implementing consolidated plans. Many officials, agencies and organizations at all levels are interested in the potential benefits of developing consolidated plans, and the Department strongly desires to include all those interested in the discussion of what plans should contain. The Department likely will use a range of direct and indirect means of conveying information and soliciting reaction.

Q11. When does the Department anticipate that State and local officials and others will receive specific instructions about what to include in the first-year consolidated plan, and the time-line for submission and review?

A11. The Department is aware that early and careful planning about the content of good first-year consolidated plans will require early notice about their expected content. The Department intends to distribute more information on the content of consolidated plans during January, so that States have sufficient time to (1) think carefully about how a consolidated plan can propel new dynamic thinking about real program coordination (2) how [sic] their consolidated planning supports reform strategies that they may be developing under Goals 2000, and (3) prepare a proposed plan and solicit and review public comment on its content if they choose to submit a consolidated plan.

The Department expects to issue final guidance on the content and format of the preliminary consolidated plan by mid-February, as well to announce any other programs that may be included in it. While

no schedule for submission and review of preliminary plans has yet been developed, the Department would like that schedule to be the same as schedules established for submission and approval of individual FY 1995 program applications.

Q12. Does the IASA contain any requirement that a State discuss the content of a preliminary consolidated plan with the public before submitting it to the Secretary?

A12. Yes. The Act requires a State to offer a reasonable opportunity for the public to comment on its consolidated plan, and to consider that comment, before submitting the plan to the Secretary. This requirement would apply both to the preliminary consolidated plans and to the final consolidated plans. Public comment on a consolidated plan does not necessarily, by itself, meet any other individual program requirements for public comment.

Appendix B—General Assurances Applicable to Each Program Covered by the Preliminary (First Year) Consolidated Plan

- Each program will be administered in accordance with all applicable statutes, regulations, program plans, and applications.
- The control of funds provided under each program and title to property acquired with program funds will be in a public agency, in a nonprofit private agency, institution, or organization, or in an Indian tribe if the law authorizing the program provides for assistance to these entities.
- The public agency, nonprofit private agency, institution, or organization, or Indian tribe will administer the funds and property to the extent required by the authorizing law.

- The State will adopt and use proper methods of administering each program, including—

(A) The enforcement of any obligations imposed by law on agencies, institutions, organizations, and other recipients responsible for carrying out each program;

(B) The correction of deficiencies in program operations that are identified through audits, monitoring, or evaluation; and

(C) The adoption of written procedures for the receipt and resolution of complaints alleging violations of law in the administration of each program.

- The State will cooperate in carrying out any evaluation of each program conducted by or for the Secretary or other Federal officials.

- The State will use fiscal control and fund accountability procedures that will ensure proper disbursement of, and accounting for, Federal funds paid to the State under each program.

- The State will—

(A) Make reports to the Secretary as may be necessary to enable the Secretary to perform the Secretary's duties under each program; and

(B) Maintain records, provide information to the Secretary, and afford access to the records as the Secretary may find necessary to carry out the Secretary's duties.

- The State has afforded a reasonable opportunity for public comment on the plan and has considered this comment.

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