

DEPARTMENT OF LABOR**Employment and Training
Administration****DEPARTMENT OF EDUCATION**

RIN 1830-ZA02

**School-to-Work Opportunities Act;
Local Partnership Grants****AGENCIES:** Department of Labor and
Department of Education.**ACTION:** Notice of proposed selection
criteria, administrative cost cap, and
definition.

SUMMARY: The Departments of Labor and Education jointly propose selection criteria to be used in evaluating applications submitted under the School-to-Work Opportunities Local Partnership (Local Partnership Grants) competition in fiscal year (FY) 1995 and succeeding years, authorized under Title III of the School-to-Work Opportunities Act of 1994 (the Act). Local Partnership Grants will enable local partnerships, that have built a sound planning and development base, to begin implementation of School-to-Work Opportunities initiatives that will become a part of a statewide School-to-Work Opportunities system. These initiatives will offer young Americans access to programs designed to prepare them for first jobs in high-skill, high-wage careers, and to increase their opportunities for further education and training. The Departments also propose a definition for the term "administrative costs" as well as a 10 percent cap on administrative costs incurred by local partnerships receiving grants under Title III.

DATES: Comments must be received on
or before June 26, 1995.**ADDRESSES:** Comments should be
addressed to Maria Kniesler, National
School-to-Work Office, 400 Virginia
Avenue, SW., Suite 210, Washington,
DC 20024. Comments may also be faxed
to the National School-to-Work Office,
Attention: Maria Kniesler at (202) 401-
6211.**FOR FURTHER INFORMATION CONTACT:**
Maria Kniesler, National School-to-
Work Office (202) 401-6218 (this is not
a toll-free number). 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:****Background**

The Departments of Labor and Education intend to reserve funds appropriated for FY 1995 under the Act (P.L. 103-239) for a competition for Local Partnership Grants authorized under Title III of the Act. The Departments propose an administrative cost cap, a definition of the term "administrative costs," and selection criteria that would be used in evaluating applications submitted in response to the FY 1995 Local Partnership Grant competition. Local partnerships are advised that applications for Local Partnership Grants must meet all of the requirements of the Act that apply to programs funded under Title III.

In accordance with section 5 of the Act, and as part of their ongoing efforts to improve their joint administration of all School-to-Work Opportunities programs authorized under the Act, including the School-to-Work Opportunities Local Partnership program, the Departments are currently in the process of considering appropriate administrative procedures. It is the intent of the Departments that whatever procedures are used will result in the most effective and efficient joint administration of all School-to-Work Opportunities programs. In response to this notice, commenters are encouraged to submit comments and suggestions on how the Departments can best achieve the efficient and effective joint administration of the School-to-Work Opportunities Local Partnership program, including comments and suggestions relating to the joint grants administration process and to the applicability of administrative regulations.

**Proposed Administrative Cost Cap,
Definition, and Selection Criteria**

The Departments propose to apply the 10 percent cap on administrative costs contained in section 215(b)(6) of the Act to local partnerships receiving grants directly under this competition. The Departments have concluded that applying the 10 percent cap to Title III grants awarded to local partnerships by the Departments would be consistent with the Act's broader limitations on administrative costs, with the 10 percent cap imposed on partnerships receiving School-to-Work Opportunities subgrants from States, and with section 305 of Title III, which requires conformity between School-to-Work Opportunities plans of local partnerships and State School-to-Work Opportunities plans. The Departments also propose a definition of the term

"administrative costs," which is a term that appears in the Act but which the Act does not define, and the Departments propose to apply the selection criteria in this notice to the FY 1995 competition for Local Partnership Grants. Unless modified in the final notice for this competition, the 10 percent administrative cap, the definition of administrative costs, and selection criteria proposed herein, will be used for future Local Partnership Grants in the years succeeding FY 1995. The Departments solicit comments on the proposed 10 percent cap, the proposed definition, and the proposed selection criteria. A final notice of selection criteria will be published in the **Federal Register** after the Departments have taken into account the responses to this notice and have applied other relevant considerations.

Note: This notice of proposed selection criteria does not solicit applications. A notice inviting applications for School-to-Work Opportunities Local Partnership Grants will be published in the **Federal Register** concurrent with or immediately following publication of the notice of final selection criteria.

Definition

All definitions in the Act apply to School-to-Work Opportunities systems funded under this and future Local Partnership Grant competitions. However, the Act does not contain a definition of the term "administrative costs." The Departments, therefore, propose to apply the following definition to the administration of grants under this competition:

The term "administrative costs" means the activities of a local partnership that are necessary for the proper and efficient performance of its duties under the Local Partnership Grant pursuant to the School-to-Work Opportunities Act and that are not directly related to the provision of services to participants or otherwise allocable to the program's allowable activities under the grant listed in section 215(b)(4) and section 215(c) of the Act. Administrative costs may be either personnel and non-personnel costs, and may be either direct and indirect. Costs of administration include those costs that are related to this grant in such categories as—

A. Costs of salaries, wages, and related costs of the grantee's staff engaged in—

- Overall system management, system coordination, and general administrative functions;
- Preparing program plans, budgets, and schedules, as well as applicable amendments;

- Monitoring of local initiatives, pilot projects, subrecipients, and related systems and processes;

- Procurement activities, including the award of specific subgrants, contracts, and purchase orders;
- Developing systems and procedures, including management information systems, for ensuring compliance with the requirements under the Act;

- Preparing reports and other documents related to the Act;

- Coordinating the resolution of audit findings;

B. Costs for goods and services required for administration of the School-to-Work Opportunities system;

C. Costs of system-wide management functions; and

D. Travel costs incurred for official business in carrying out grants management or administrative activities.

Selection Criteria

Selection Criterion 1: Comprehensive Local School-to-Work Opportunities System (40 Points)

Considerations: In applying this criterion, reviewers will consider—

A. *20 Points.* The extent to which the partnership has designed a comprehensive local School-to-Work Opportunities plan that—

- Includes effective strategies for integrating school-based and work-based learning, integrating academic and vocational education, and establishing linkages between secondary and postsecondary education;

- Is likely to produce systemic change that will have substantial impact on the preparation of all students for a first job in a high-skill, high-wage career and in increasing their opportunities for further learning;

- Ensures all students will have a range of options, including options for higher education, additional training and employment in high-skill, high-wage jobs;

- Ensures coordination and integration with existing school-to-work programs, including programs financed from State and private sources, with funds available from Federal education and training programs (such as the Job Training Partnership Act and the Carl D. Perkins Vocational and Applied Technology Education Act); and where applicable, communities designated as Empowerment Zones or Enhanced Enterprise Communities (EZ/EEC);

- Serves a geographical area that reflects the needs of the local labor market, and is able to adjust to regional structures that the State School-to-Work Opportunities plan may identify; and

- Targets occupational clusters that represent growing industries in the partnership's geographic area; and, where applicable, demonstrates that the clusters are included among the occupational clusters being targeted by the State School-to-Work Opportunities system.

B. *20 Points.* The extent to which the partnership's plan demonstrates its capability to achieve the statutory requirements and to effectively put in place the system components in Title I of the School-to-Work Opportunities Act, including—

- A work-based learning component that includes the statutory "mandatory activities" and that contributes to the transformation of workplaces into active learning components of the education system through an array of learning experiences such as mentoring, job-shadowing, unpaid work experiences, school-sponsored enterprises, and paid work experiences;

- A school-based learning component that provides students with high-level academic and technical skills consistent with academic standards that the State establishes for all students, including, where applicable, standards established under the Goals 2000: Educate America Act;

- A connecting activities component to provide a functional link between students' school and work activities, and between employers and educators;

- Effective processes for assessing skills and knowledge required in career majors, and issuing portable skill certificates that are benchmarked to high-quality standards such as those States will establish under the Goals 2000: Educate America Act, and for periodically assessing and collecting information on student outcomes, as well as a realistic strategy and timetable for implementing the process in concert with the State.

- A flexible School-to-Work Opportunities system that allows students participating in the local system to develop new career goals over time, and to change career majors; and

- Effective strategies for: providing staff development for teachers, worksite mentors and other key personnel; developing model curricula and innovative instructional methodologies; expanding career and academic counseling in elementary and secondary schools; and utilizing innovative technology-based instructional techniques.

Selection Criterion 2: Quality and Effectiveness of the Local Partnership (20 Points)

Considerations: In applying this criterion, reviewers will refer to section 4(11) of the Act and consider—

- Whether the partnership's plan demonstrates an effective and convincing strategy for continuing the commitment of employers and other interested parties in the local School-to-Work Opportunities system;

- The effectiveness of the partnership's plan to include private sector representatives as joint partners with educators in both the design and the implementation of the local School-to-Work Opportunities system;

- The extent to which the local partnership has developed strategies to provide a range of opportunities for employers to participate in the design and implementation of the local School-to-Work Opportunities system, including membership on councils and partnerships; assistance in setting standards, designing curricula, and determining outcomes; providing worksite experiences for teachers; helping to recruit other employers; and providing worksite learning activities for students such as mentoring, job shadowing, unpaid work experiences, and paid work experiences;

- The extent to which the roles and responsibilities of the key partners, including employers, educators, representatives of labor organizations or nonmanagerial employee representatives, community-based organizations, and other key parties are clearly defined and are likely to produce the desired changes in the way students are prepared for the future;

- The extent to which the partnership demonstrates the capacity to build a quality local School-to-Work Opportunities system;

- Whether the partnership has included methods for sustaining and expanding the partnership, as the program expands in scope and size.

Selection Criterion 3: Participation of All Students (15 Points)

Considerations: In applying this criterion, reviewers will consider—

- The extent to which the partnership has developed realistic strategies for ensuring that all students have effective and meaningful opportunities to participate in the local School-to-Work Opportunities system;

- Whether the partnership has identified potential barriers to the participation of any students, and the degree to which it proposes effective ways of overcoming these barriers;

- The degree to which the partnership has developed realistic goals and methods for assisting young women to participate in School-to-Work Opportunities programs leading to employment in high-performance, high-paying jobs, including non-traditional jobs;
- The partnership's methods for ensuring safe and healthy work environments for students; and
- The extent to which the partnership's plan provides for the participation of a significant number or percentage of students in School-to-Work Opportunities activities listed under Title I of the Act.

Selection Criterion 4: Collaboration With State (15 Points)

Considerations: In applying this criterion, reviewers will consider—

- The extent to which the local partnership has effectively consulted with its State School-to-Work Opportunities partnership, and has established realistic methods for ensuring consistency of its local strategies with the statewide School-to-Work Opportunities system being developed by that State partnership;
- Whether the local partnership has developed a sound strategy for integrating its plan, as necessary, with the State plan for a statewide School-to-Work Opportunities system;
- The extent to which the local partnership has developed effective processes through which it is able to assist and collaborate with the State in establishing the statewide School-to-Work system, and is able to provide feedback to the state on their system-building process.
- Whether the plan includes a feasible workplan that describes the steps that will be taken in order to make the local system part of the State School-to-Work Opportunities system, including a timeline that includes major planned objectives during the grant period.

Selection Criterion 5: Management Plan (10 Points)

Considerations: In applying this criterion, reviewers will consider—

- The feasibility and effectiveness of the partnership's strategy for using other

resources, including private sector resources, to maintain the system when Federal resources under the School-to-Work Opportunities Act are no longer available.

- The extent to which the partnership's management plan anticipates barriers to implementation and proposes effective methods for addressing barriers as they arise.
- Whether the plan includes feasible measurable goals for the School-to-Work Opportunities system, based on performance outcomes established under section 402 of the Act, and an effective method for collecting information relevant to the local partnership's progress in meeting its goals.
- Whether the plan includes a regularly scheduled process for improving or redesigning the School-to-Work Opportunities system based on performance outcomes established under section 402 of the Act.
- The extent to which the resources requested will be used to develop information, products and ideas that will assist other States and local partnerships as they design and implement local systems.
- The extent to which the partnership will limit equipment and other purchases in order to maximize the amounts spent on delivery of services to students.

Intergovernmental Review

This program is subject to the requirements of Executive Order 12372 and the regulations in 29 CFR Part 17. The objectives of the Executive order is to foster an intergovernmental partnership and a strengthened federalism by relying on processes developed by State and local governments for coordination and review of proposed Federal financial assistance.

In accordance with the order, this document is intended to provide early notification of the Departments' specific plans and actions for this program.

Executive Order 12866

This notice of proposed priority has been reviewed in accordance with Executive Order 12866. Under the terms of the order the Secretary has assessed

the potential costs and benefits of this regulatory action.

The potential costs associated with the notice of proposed priority are those resulting from statutory requirements and those determined by the Secretary to be necessary for administering this program effectively and efficiently.

In assessing the potential costs and benefits—both quantitative and qualitative—of this notice of proposed priority, the Secretary has determined that the benefits of the proposed priority justify the costs.

The Secretary has also determined that this regulatory action does not unduly interfere with State, local, and tribal governments in the exercise of their governmental functions.

To assist the Department in complying with the specific requirements of Executive Order 12866, the Secretary invites comment on whether there may be further opportunities to reduce any potential costs or increase potential benefits resulting from this proposed priority without impeding the effective and efficient administration of the program.

Invitation to Comment

Interested persons are invited to submit comments on the proposed application of the 10 percent cap on administrative costs, the proposed selection criteria, and the proposed definition of the term "administrative costs" contained in this notice. All comments submitted in response to this notice will be available for public inspection, during and after the comment period, in the National School-to-Work Office, 400 Virginia Avenue, S.W., Suite 210, Washington, D.C., between the hours of 8:30 a.m. and 4 p.m., Monday through Friday of each week, except Federal holidays.

(Catalog of Federal Domestic Assistance Number has not been assigned.)

Dated: May 16, 1995.

Doug Ross,

Assistant Secretary for Employment and Training, Department of Labor.

Augusta Kappner,

Assistant Secretary for Vocational and Adult Education, Department of Education.

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