

DEPARTMENT OF EDUCATION**[CFDA No. 84.314B]****Even Start Statewide Family Literacy Initiative Grants****AGENCY:** Department of Education.**ACTION:** Notice of deadline for third stage of applications for assistance under the Even Start Statewide Family Literacy Initiative grant authority for fiscal year 1999, and information regarding certain cost issues for those grants.**SUMMARY:** The Secretary of Education announces a third stage, and deadline for that third stage, for States to apply for a fiscal year (FY) 1999 new award under the Even Start Statewide Family Literacy Initiative grant authority. The Secretary also provides information about the authorization of certain pre-award costs for grant recipients, and the applicability of the waiver authority under section 14401 of the Elementary and Secondary Education Act (ESEA) to the requirement that only non-Federal funds be used as matching resources for the grant.**Eligible Applicants:** One State office or agency from each State, the District of Columbia, and Puerto Rico, provided that the applicant jurisdiction did not receive an award of funds in the second stage of this FY 1999 competition.**Deadline for Transmittal of Applications in Third Stage of Competition:** The deadline for State offices and agencies to submit their Even Start Statewide Family Literacy Initiative applications for the third stage of this grant competition is March 31, 2000.**Available Funds:** The Secretary estimates that there will be \$2,039,499 available for awards in the third stage of this FY 1999 competition.**Matching and Use of Fund Requirements:** A State receiving a grant for an Even Start Statewide Family Literacy Initiative must make available non-Federal contributions (cash or in-kind) in an amount at least equal to the Federal funds awarded under the grant. These non-Federal contributions may be from State or local resources, or both. Grantees may not use grant funds for indirect costs, either as a direct charge or as part of the matching requirement.**Estimated Number of Awards During Second and Third Stages of Competition:** second stage—28; third stage—6–10. (No States qualified for awards during the first stage of this competition.)**Note:** The Department is not bound by any estimates in this notice. The Secretary

originally estimated a total of between 40–52 awards, with an estimated average size for an award of \$186,000 in Federal funds. No states qualified for awards during the first stage of the competition. The Secretary anticipates awarding funds to 28 recipients during the second stage of competition. Based upon these awards, the Secretary revises the estimate of the number of total awards to 34–38 awards for FY 1999, with an estimated 6–10 awards during the third stage of the competition.

Project Period: 24 months (comprised of two one-year budget periods).**Application, Absolute Priority, and Selection Criteria:** The Department will use the same application (including the absolute priority and selection criteria) that it used for the first two stages of this competition. That application, entitled “Notice inviting State applications for new awards for fiscal year (FY) 1999 funds for Even Start Statewide Family Literacy Initiative grants,” was published in the **Federal Register** on February 24, 1999, at 64 FR 9229. In addition, the Notice of Final Priority for Fiscal Year 1999, published in the **Federal Register** on February 24, 1999, at 64 FR 9228, will apply to this third stage. You may obtain a copy of that application and Notice of Final Priority for Fiscal Year 1999 from the contact person listed below. The application and notice of final priority also are available in the Department’s on-line library at <http://www.ed.gov/GrantApps/#84.314B>.**FOR FURTHER INFORMATION CONTACT:** To obtain further information, or a copy of the application and Notice of Final Priority, contact Tanielle Johnson, Compensatory Education Programs, Office of Elementary and Secondary Education, 400 Maryland Avenue SW, Washington, DC 20202–6132; telephone (202) 205–9588; or Email tanielle-johnson@ed.gov.

Individuals who use a telecommunications device for the deaf (TDD) may call the Federal Information Relay Service (FIRS) at 1–800–877–8339. Individuals with disabilities may obtain this document in an alternate format (e.g., Braille, large print, audiotape, or computer diskette) on request to the contact person listed in the preceding paragraph.

SUPPLEMENTARY INFORMATION: The Department published the FY 1999 notice inviting applications for Even Start Statewide Family Literacy Initiative competitive grants in the **Federal Register** on February 24, 1999 (64 FR 9229), and published a Notice of Final Priority for those grants at the same time (64 FR 9228). The notice inviting applications established twoopportunities for States to submit their applications—a first stage deadline of February 24, 1999, and a second stage deadline of August 20, 1999, which was extended to October 15, 1999, in the **Federal Register** on June 25, 1999 (64 FR 34225) to give States additional time to prepare their applications. This notice establishes a third opportunity for States that have not received a grant in this competition to submit applications. The third stage deadline is March 31, 2000.

The Department recognizes that it takes States a significant amount of time to form the required consortium of State-level programs and build the strong working collaborations that they need to plan a high-quality statewide family literacy initiative that realistically addresses a State’s unique educational needs. Some States have advised the Department that they have convened their consortia, are developing those collaborations, and have been actively planning their initiatives for a number of months, but that they were not able to prepare their applications completely by the deadline for the second round. Other States applied for funds in the second stage of this competition, but did not receive an average score of 70, which the Department established as the minimum score.

The Secretary believes that States may benefit from additional technical assistance on developing strong proposals to strengthen and expand family literacy services in their States. In addition, these States will be able to benefit from technical assistance on meeting the absolute priority in the application, under which applicants must address the new statutory requirement in the Even Start law to develop performance indicators to measure adult and child outcomes. Development of these performance indicators is not only required by the Even Start law, but is an important part of a State’s family literacy accountability system.

Sufficient funds will remain after awards are made in the second stage of this competition for a small number of additional States with high-quality applications to receive awards. These grants can be an important catalyst and resource in helping States strengthen and expand family literacy services, and develop a coordinated system of performance indicators for adults and children receiving family literacy services. Therefore, the Department announces a third opportunity for States to submit their applications under this competition for FY 1999 funds. The Secretary encourages States that have

not yet received a grant in this competition to apply for these collaboration funds to strengthen and expand family literacy services in their States.

Technical assistance

The Department provided a variety of technical assistance opportunities to all States following the first stage of this competition. That technical assistance, in which many States participated, included: application preparation workshops, distribution of detailed written application preparation guidance, on-site assistance, individual telephone consultations with contractors, and review and comment by contractors on draft applications. The Department offered these types of technical assistance to all States, and informed those States that the provision of this assistance did not ensure the applicant of funding nor bind the Department to funding any draft proposal. The Department advised applicants that the actual funding of their proposals would be based upon the evaluation of those proposals by a panel of experts based on the selection criteria and procedures published in the original notice inviting grant applications. The Department intends to provide technical assistance opportunities to all States that wish to apply in the third stage of this competition.

Cost issues

On June 25, 1999, the Department published a notice in the **Federal Register**, 64 FR 34225, that included the following information about cost issues for these grants.

Pre-award costs

The Department's regulations already authorize grant recipients to incur allowable pre-award costs up to 90 calendar days before the grant award (34 CFR 75.263 and 74.25(e)(1)). In addition, for this competition, the

Secretary will authorize grant recipients to use grant funds to pay certain pre-award costs incurred more than 90 days before the date of the grant award but no earlier than the date of the initial notice inviting grant applications (February 24, 1999). Those authorized pre-award costs are the necessary and reasonable costs to establish, convene, and facilitate the required consortium's work in creating the plan for the proposed statewide family literacy initiative. States incur all pre-award costs at their own risk, in that the Secretary is under no obligation to reimburse these costs if for any reason the State does not receive an award or receives an award that is less than anticipated and inadequate to cover these costs.

Waiver applicability

A State that receives a grant for an Even Start Statewide Family Literacy Initiative must contribute an amount from non-Federal sources, in cash or in kind, at least equal to the Federal funds awarded under the grant. Drawing on non-Federal contributions is important to building successful collaborative statewide efforts to strengthen and expand family literacy services. However, identifying sufficient resources to meet this requirement may be difficult in some instances. In those cases, if the State educational agency (SEA) is the applicant State office or agency, the SEA may request from the Secretary a waiver under section 14401 of the ESEA of the requirement that only non-Federal funds may be used to match the Federal award. Such a waiver, if approved, would allow that State to use Federal resources (such as Head Start, Title I, Adult Education Act, Individuals with Disabilities Education Act, and State grants under the Reading Excellence Act), in addition to non-Federal resources, to meet the matching requirement.

Any waiver request must meet the required criteria in section 14401 by,

among other things, identifying how the waiver would contribute to improvements in teaching and learning. Applicants seeking a waiver of the requirement for non-Federal matching resources should include their waiver request with their application. To receive assistance concerning a waiver request, potential waiver applicants may call the Department's Waiver Assistance Line at (202) 401-7801 or 1-800-USA-LEARN, or the program contact above. Waiver guidance, including information about preparing a request, is also available in the Department's on-line library at <http://www.ed.gov/flexibility>.

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Dated: January 20, 2000.

Michael Cohen,

Assistant Secretary for Elementary and Secondary Education.

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