

that is equitable to professional development provided with program funds to public school principals and assistant principals (or other public school staff whom the project serves). See section 9501 of the ESEA.

#### Limitation on Indirect Cost

The success of the School Leadership Program will depend upon how well grantees produce highly qualified principals and assistant principals who will work and stay in high-need schools. If the program is to achieve its purposes, we need to ensure that the \$10 million appropriation is used as effectively as possible. To do so, it is necessary to place a reasonable limitation on the amount of program funds that grant recipients may use to reimburse themselves for the "indirect costs" of program activities. Therefore, the Secretary has decided to establish a reasonable limit of eight percent on the indirect cost rate that all program recipients may charge to funds provided under this program.

The School Leadership Program does not fund activities that are strictly "educational training projects" within the meaning of section 75.562 of EDGAR, to which this eight-percent limitation already expressly applies. However, for reasons we have provided in a limited number of other competitive grant programs that focus on improving teacher quality or helping students in high-need schools achieve academically, we believe that a similar limitation on a recipient's indirect costs is necessary here to ensure that program funds are used to secure the school leaders that Congress had intended. See, e.g., (1) the analysis of EDGAR for proposed 34 CFR 611.61 that governs the Teacher Quality Enhancement Grant programs, authorized by Title II, Part A of the Higher Education Act (65 FR 6936, 6940 (February 11, 2000)); and (2) requirements for the FY 2001 grants competition under the Transition to Teaching program authorized in the FY 2001 Department of Education Appropriations Act, Pub. L. 106-554 (66 FR 19673, 19676-77 (April 16, 2002)).

*For Applications Contact:* Education Publications Center (ED Pubs), PO Box 1398, Jessup, MD 20794-1398. Telephone (toll free): 1-877-433-7827. FAX: (301) 470-1244. If you use a telecommunications device for the deaf (TDD) you may call (toll free): 1-877-576-7734.

You may also contact ED Pubs at its Web site: <http://www.ed.gov/about/ordering.jsp>.

Or you may contact ED Pubs at its e-mail address: [edpubs@inet.ed.gov](mailto:edpubs@inet.ed.gov).

If you request an application from ED Pubs, be sure to identify this competition as follows: CFDA number 84.363A.

*For Technical Assistance Contact:* Susan Toy, U.S. Department of Education, 400 Maryland Avenue, SW, Room 3E224, Washington, DC 20202-6140. Telephone: (202) 260-0995 or via Internet: [Susan.Toy@ed.gov](mailto:Susan.Toy@ed.gov).

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**Program Authority:** 20 U.S.C 6651(b).

Dated: May 17, 2002.

**Susan B. Neuman,**

*Assistant Secretary for Elementary and Secondary Education.*

[FR Doc. 02-13022 Filed 5-22-02; 8:45 am]

**BILLING CODE 4000-01-P**

## DEPARTMENT OF EDUCATION

[CFDA No.: 84.330C]

### Office of Elementary and Secondary Education—Advanced Placement Incentive (API) Program; Notice Inviting Applications for New Awards for Fiscal Year (FY) 2002 for the API Program

*Purpose of Program:* The API program, funded under section 1705 of Title I, Part G of the Elementary and Secondary Education Act of 1965, as amended by the No Child Left Behind Act of 2001 (ESEA), awards competitive grants designed to increase the successful participation of low-income students in pre-advanced placement and

advanced placement courses and tests. Through increased access to and participation in pre-advanced placement and advanced placement courses and tests, the program provides greater opportunities for low-income students to achieve to high standards in English, mathematics, science, and other core subjects. Additional long-term goals of the program are to demonstrate that larger and more diverse groups of students can participate and succeed in advanced placement programs and to increase the numbers of low-income and other disadvantaged students who receive baccalaureate and advanced degrees.

*Eligible Applicants:* (a) State educational agencies (SEAs); (b) local educational agencies (LEAs); or (c) national nonprofit educational entities with expertise in advanced placement services. In the case of an eligible entity that is an SEA, the SEA may use API grant funds to award subgrants to LEAs to enable those LEAs to carry out activities authorized under this program.

**Note:** The Bureau of Indian Affairs is considered an SEA for purposes of this program.

*Applications Available:* May 23, 2002.

*Deadline for Transmittal of Applications:* July 8, 2002.

*Deadline for Intergovernmental Review:* September 5, 2002.

*Estimated Available Funds:* Approximately \$2,000,000.

**Note:** In accordance with statutory requirements, this amount is based on the amount of funds the Secretary estimates will be available after the Department has awarded grants under the Advanced Placement Test Fee program competition, which is being announced separately under CFDA No. 84.330B.

*Estimated Range of Awards:* \$100,000 to \$600,000 per year.

*Estimated Average Size of Awards:* \$350,000 per year.

*Estimated Number of Awards:* 5-15.

**Note:** These estimates are projections for the guidance of potential applicants. The Department is not bound by any estimates in this notice.

*Project Period:* Up to 36 months.

*E-Mail Notification of Intent to Apply for Funding:* The Department will be able to develop a more efficient process for reviewing grant applications if it has a better understanding of the number of entities that intend to apply for funding under this competition. Therefore, the Secretary strongly encourages each potential applicant for the API program to notify the Department by e-mail that it intends to submit an application for funding. The Secretary requests that this

e-mail notification be sent no later than June 24, 2002. The e-mail notification should be sent to Ms. Madeline Baggett at [madeline.baggett@ed.gov](mailto:madeline.baggett@ed.gov). Applicants that do not provide this e-mail notification may still apply for funding.

**SUPPLEMENTARY INFORMATION:** The API program promotes greater access to, and participation in, advanced placement courses and tests for low-income and other disadvantaged students. The API program is an important component of the Department's commitment to ensuring that "no child is left behind." In order to improve academic achievement for all students, the expectations for low-income children must be raised. Therefore, in addition to improving reading and mathematics achievement for all children in the early grades, the Secretary supports more rigorous middle and high school curricula in English, mathematics, science, and other core subjects. The development, enhancement, and expansion of advanced placement courses in all core subjects are key strategies for enabling low-income students to achieve to high academic standards.

Since the original authorization of the Advanced Placement program in 1998, funding for the program has increased from \$3 million to the current appropriation of \$22 million. In May 2001, low-income students took 114,112 advanced placement tests administered by the College Board, an 11 percent increase compared to 2000.

Nevertheless, there is still a significant gap between the level of participation of low-income students in advanced placement courses and tests and the level of participation of students from more affluent backgrounds. Further, recent data released by the College Board indicate a continued underrepresentation of minority students taking advanced placement exams generally, and of female students taking calculus and physics advanced placement exams.

The API program supports activities that enable greater numbers of low-income and other disadvantaged students to benefit from advanced placement courses and exams (ultimately increasing the likelihood that these students will receive college degrees) through increased access to, and participation in, pre-advanced placement and advanced placement courses. These courses will be developed, enhanced, and expanded in high-poverty schools, which are least likely to offer advanced placement courses. In addition, pre-advanced placement and advanced placement

teachers in the schools served will participate in sustained, high-quality professional development activities designed to: (1) Improve teacher content area knowledge; (2) increase utilization of research-based classroom practices that foster student achievement for low-income students; and (3) strengthen the alignment of pre-advanced placement and advanced placement curricula through vertical team training and other strategies. Applicants approved for funding under this program will be required to submit disaggregated data (by race, ethnicity, sex, English proficiency status, and socio-economic status) on individuals taking advanced placement courses and tests.

**Allowable Activities:** Under the API program, eligible entities implement programs designed to expand access for low-income individuals to advanced placement incentive programs through:

(1) Teacher training; (2) pre-advanced placement course development; (3) coordination and articulation between grade levels to prepare students for academic achievement in advanced placement courses; (4) providing books and supplies; (5) activities to increase the availability of, and participation in, on-line advanced placement courses; and (6) any other activity directly related to expanding access to and participation in advanced placement programs, particularly for low-income individuals.

**Note:** Applicants approved for funding under this competition are required to attend a two-day Project Directors' meeting in Washington, D.C. during the first year of the grant. The cost of attending this meeting may be paid from API program grant funds or State or local resources.

**Waiver of Proposed Rulemaking:** In accordance with the Administrative Procedure Act (5 U.S.C. 553), it is the practice of the Secretary to offer interested parties the opportunity to comment on proposed rules. Ordinarily, this practice might have applied to one or more of the priorities in this notice. Section 437(d)(1) of the General Education Administrative Provisions Act (GEPA), however, exempts rules that apply to the first competition under a new or substantially revised program from this requirement. As this competition is the first API program competition under the newly reauthorized ESEA, it qualifies as a new competitive grants program and is exempt from notice and comment rulemaking. The Secretary, in accordance with section 437(d)(1) of GEPA, to ensure timely awards, has decided to forgo public comment. These rules will apply to the FY 2002 competition only.

**Absolute Priorities:** Under 34 CFR 75.105(c)(3), the Secretary is establishing three separate absolute priorities as described below. We have chosen these priorities from the authorized activities and priorities specified in the authorizing statute for this program (see sections 1705(c) and (d) of Title 1, Part G of the ESEA). To implement the priorities, the Secretary will fund under this competition only applications that meet all three absolute priorities, except that priority (b) below applies only to eligible applicants that are LEAs.

(a) The Secretary gives an absolute priority to applications that demonstrate an intent to carry out activities that target schools, or LEAs serving schools, with a high concentration of low-income students. For a definition of *high concentration of low-income students*, see the Definitions section of this notice.

(b) For eligible applicants that are LEAs, the Secretary gives an absolute priority to applications that assure that the LEA serves schools with a high concentration of low-income students. For a definition of *high concentration of low-income students*, see the Definitions section of this notice.

(c) The Secretary gives an absolute priority to applications that propose to develop, enhance, or expand pre-advanced placement courses in English, mathematics, science, and other core academic areas at the middle or high school level. Proposals may include activities designed to develop, enhance, or expand advanced placement courses in conjunction with pre-advanced placement courses. Effective projects must be designed to enable low-income students to enroll and succeed in advanced placement courses and taking tests in core academic areas, and must include activities for coordination of curriculum design and development between middle and high school teachers as well as teacher training activities necessary for effective implementation of such programs.

**Selection Criteria:** The Secretary will use the following selection criteria in 34 CFR 75.210 to evaluate applications under this competition. The maximum score for all of the selection criteria is 100 points. The maximum score for each criterion is indicated in parenthesis with the criterion. The criteria are as follows:

(a) **Significance** (20 points). The Secretary considers the significance of the proposed project. In determining the significance of the proposed project, the Secretary considers one or more of the following factors:

(1) The potential contribution of the proposed project to increased knowledge or understanding of educational problems, issues, or effective strategies.

(2) The extent to which the proposed project involves the development or demonstration of promising new strategies that build on, or are alternatives to, existing strategies.

(3) The importance or magnitude of the results or outcomes likely to be attained by the proposed project, especially improvements in teaching and student achievement.

(b) *Quality of the Project Design* (20 points). The Secretary considers the quality of the project design of the proposed project. In determining the quality of the project design, the Secretary considers the following factors:

(1) The extent to which the proposed project represents an exceptional approach for meeting the priority or priorities established for the competition.

(2) The extent to which the goals, objectives, and outcomes to be achieved by the proposed project are clearly specified and measurable.

(3) The extent to which the design of the proposed project is appropriate to, and will successfully address, the needs of the target population or other identified needs.

(c) *Quality of Project Services* (20 points). The Secretary considers the quality of project services to be provided by the proposed project. In determining the quality of the services to be provided by the proposed project, the Secretary considers the quality and sufficiency of strategies for ensuring equal access and treatment for eligible project participants who are members of groups that have traditionally been underrepresented based on race, color, national origin, gender, age, or disability. In addition, the Secretary considers the following factors:

(1) The extent to which the services to be provided by the proposed project reflect up-to-date knowledge from research and effective practices.

(2) The extent to which the training or professional development services to be provided by the proposed project are of sufficient quality, intensity, and duration to lead to improvements in practice among the recipients of those services.

(d) *Quality of Project Personnel* (10 points). The Secretary considers the quality of the personnel who will carry out the proposed project. In determining the quality of project personnel, the Secretary considers the extent to which the applicant encourages applications

for employment from persons who are members of groups that have traditionally been underrepresented based on race, color, national origin, gender, age, or disability. In addition, the Secretary considers the following factors:

(1) The qualifications, including relevant training and experience, of the project director;

(2) The qualifications, including relevant training and experience, of key project personnel.

(3) The qualification, including relevant training and experience, of project consultants or subcontractors.

(e) *Adequacy of Resources* (10 points). The Secretary considers the adequacy of resources for the proposed project. In determining the adequacy of resources for the proposed project, the Secretary considers the following factors:

(1) The adequacy of support, including facilities, equipment, supplies, and other resources, from the applicant organization or the lead applicant organization.

(2) The extent to which the costs are reasonable in relation to the number of persons to be served and to the anticipated results and benefits.

(3) The potential for incorporation of project purposes, activities or benefits into the ongoing program of the agency or organization at the end of Federal funding.

(f) *Quality of the Management Plan* (10 points). The Secretary considers the quality of the management plan for the proposed project. In determining the quality of the management plan for the proposed project, the Secretary considers the following factors:

(1) The adequacy of the management plan to achieve the objectives of the proposed project on time and within budget, including clearly defined responsibilities, time lines, and milestones for accomplishing project tasks.

(2) The extent to which the time commitments of the project director and principal investigator and other key project personnel are appropriate and adequate to meet the objectives of the proposed project.

(g) *Quality of the Project Evaluation* (10 points). The Secretary considers the quality of the project evaluation. In determining the quality of the project evaluation, the Secretary considers the following factors:

(1) The extent to which the methods of evaluation include objective performance measures that are clearly related to the intended outcomes of the project and will produce quantitative and qualitative data to the extent possible.

(2) The extent to which the methods of evaluation will performance feedback and permit periodic assessment of progress toward achieving intended outcomes.

*Priority Points:* In accordance with statutory and regulatory requirements, the Secretary will award a total of twenty (20) additional priority points for applications based on the following criteria: (a) Pervasive need for access to API programs, including a focus on serving or otherwise addressing the needs of disadvantaged individuals—two (2) points;

(b) involvement of business and community organizations in the activities assisted—two (2) points; (c) availability of matching funds from State, local, or other sources to pay for the cost of activities to be assisted—two (2) points; (d) focus on developing or expanding advanced placement programs in the core academic areas of English, mathematics, or science—two (2) points; (e) intent to carry out activities to increase the availability of, and participation in, on-line advanced placement courses—two (2); and (f) serve schools where 75 percent or more of the students enrolled are from low-income families—ten (10) points.

These priorities are specified in the authorizing statute for the API Program. The priority points are in addition to any points the applicant earns under the selection criteria listed below. The Secretary may select an application that meets a priority over an application of comparable merit that does not meet the priority.

*Applicable Regulations and Statute:* The Education Department General Administrative Regulations (EDGAR) in 34 CFR parts 74, 75, 77, 79, 80, 81, 82, 85, 86, and 99. Title I, Part G of the Elementary and Secondary Education Act of 1965, as amended by the No Child Left Behind Act of 2001, Pub. L. 107-110.

*General Requirements:* The following requirements must be met for any application submitted under this program: (a) The program narrative is limited to no more than 50 pages; (b) each "page" is 8.5" x 11" (on one side only) with one inch margins (top, bottom, and sides); and (c) all text in the application narrative is double-spaced (no more than three lines per vertical inch), including titles, headings, footnotes, quotations, captions, as well as all text in charts, tables, figures, and graphs. The page limit applies to the narrative section only. However, all of the application narrative must be included in the narrative section. If the narrative section of an application

exceeds the page limit, the application will not be reviewed.

### Definitions

The following definitions and other provisions are taken from the API program authorizing statute, in Title I, Part G of the ESEA. They are repeated in this application notice for the convenience of the applicant.

As used in this section:

(a) The term *advanced placement test* means an advanced placement test administered by the College Board or approved by the Secretary.

**Note:** In addition to advanced placement tests administered by the College Board, the Department has approved advanced placement tests administered by the International Baccalaureate Organization. As part of the grant application process, applicants may request approval of tests from other educational entities that provide comparable programs of rigorous academic courses and testing through which students may earn college credit.

(b) The term *high concentration of low-income students*, used with respect to a school, means a school that serves a student population at least 40 percent or more of whom are low-income individuals.

(c) The term *low-income individual* means an individual who is determined by a State educational agency or local educational agency to be a child, ages 5 through 17, from a low-income family, on the basis of data used by the Secretary to determine allocations under section 1124 of the ESEA, data on children eligible for free or reduced lunches under the National School Lunch Act, data on children in families receiving assistance under part A of title IV of the Social Security Act, or data on children eligible to receive medical assistance under the Medicaid program under title XIX of the Social Security Act, or through an alternate method that combines or extrapolates from those data.

### Supplement, Not Supplant Rule

Funds provided under this program must be used to supplement and not supplant other non-Federal funds that are available to assist low-income individuals in paying advanced placement test fees.

*For Applications or Information Contact:* Madeline E. Baggett, U.S. Department of Education, School Improvement Programs, 400 Maryland Avenue, SW., Room 3C153, Washington, DC 20202-6140. Telephone (202) 260-2669. Internet address: [Madeline.Baggett@ed.gov](mailto:Madeline.Baggett@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.

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**Program Authority:** Pub. L. 107-110.

Dated: May 20, 2002.

**Susan B. Neuman,**

*Assistant Secretary for Elementary and Secondary Education.*

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**BILLING CODE 4000-01-P**

## DEPARTMENT OF EDUCATION

[CFDA No.: 84.330B]

### Office of Elementary and Secondary Education—Advanced Placement (AP) Test Fee Program; Notice Inviting Applications for New Awards for Fiscal Year (FY) 2002

*Purpose of Program:* The AP Test Fee program provides grants to States to enable them to pay advanced placement test fees on behalf of eligible low-income students who (1) are enrolled in an advanced placement course; and (2) plan to take an advanced placement exam. The program is designed to increase the number of low-income students who take advanced placement tests and receive scores for which

college academic credit is awarded. Further, the program seeks to increase the number of low-income students who achieve a baccalaureate or advanced degree. Therefore, through participation in this program, low-income students will have greater opportunities to achieve to higher standards in English, mathematics, science, and other core subjects.

*Eligible Applicants:* State educational agencies (SEAs) in any State, including the District of Columbia, the Commonwealth of Puerto Rico, and each of the outlying areas.

**Note:** For purposes of this program, the Bureau of Indian Affairs is treated as an SEA.

*Applications Available:* May 23, 2002.

*Deadline for Transmittal of*

*Applications:* July 8, 2002.

*Deadline for Transmittal Review:* September 5, 2002.

*Estimated Available Funds:* Up to \$1,000,000.

*Estimated Range of Awards:* \$50,000 to \$400,000 per year.

*Estimated Average Size of Awards:* \$225,000 per year.

*Estimated Number of Awards:* 5-20.

**Note:** These estimates are projections for the guidance of potential applicants. The Department is not bound by any estimates in this notice.

*Project Period:* Up to 36 months.

*E-Mail Notification of Intent to Apply for Funding:* The Department will be able to develop a more efficient process for reviewing grant applications if it has a better understanding of the number of entities that intend to apply for funding under this competition. Therefore, the Secretary strongly encourages each potential applicant for the AP Test Fee program to notify the Department by e-mail that it intends to submit an application for funding. The Secretary requests that this e-mail notification be sent no later than June 24, 2002. The e-mail notification should be sent to Ms. Madeline Baggett at [madeline.baggett@ed.gov](mailto:madeline.baggett@ed.gov). Applicants that fail to provide this e-mail notification may still apply for funding.

### Allowable Activities

States receiving grants under this program may use the grant funds to pay part or all of the cost of advanced placement test fees for low-income individuals who (1) are enrolled in an advanced placement class; and (2) plan to take an advanced placement test.

### Priority

In accordance with statutory requirements, in allocating funds appropriated for Title I, Part G