

administrative and national policy requirements in the application package and reference these and other requirements in the *Applicable Regulations* section of this notice.

We reference the regulations outlining the terms and conditions of an award in the *Applicable Regulations* section of this notice and include these and other specific conditions in the GAN. The GAN also incorporates your approved application as part of your binding commitments under the grant.

3. *Reporting:* At the end of your project period, you must submit a final performance report, including financial information, as directed by the Secretary. If you receive a multi-year award, you must submit an annual performance report that provides the most current performance and financial expenditure information as directed by the Secretary under 34 CFR 75.118. The Secretary may also require more frequent performance reports under 34 CFR 75.720(c). For specific requirements on reporting, please go to <http://www.ed.gov/fund/grant/apply/appforms/appforms.html>.

4. *Performance measure:* Under the Government Performance and Results Act of 1993, the Department has developed the following performance measure for measuring the overall effectiveness of the Gulf Coast Recovery Grant Initiative: the percentage of grantees that successfully accomplish their project goals and objectives. The Department will collect data for this measure from grantees' final performance reports.

VII. Agency Contact

FOR FURTHER INFORMATION CONTACT: April Bolton-Smith, U.S. Department of Education, 400 Maryland Avenue, SW., room 3E304, Washington, DC 20202-6200. Telephone: (202) 260-1475 or by e-mail: gulfcoastrecovery@ed.gov.

If you use a TDD, call the FRS, toll free, at 1-800-877-8339.

VIII. Other Information

Accessible Format: Individuals with disabilities can obtain this document and a copy of the application package in an accessible format (e.g., braille, large print, audiotope, or computer diskette) on request to the program contact person listed under **FOR FURTHER INFORMATION CONTACT** in section VII of this notice.

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Dated: May 24, 2010.

Thelma Meléndez de Santa Ana,

Assistant Secretary for Elementary and Secondary Education.

[FR Doc. 2010-12800 Filed 5-26-10; 8:45 am]

BILLING CODE 4000-01-P

DEPARTMENT OF EDUCATION

Federal Pell Grant, Federal Perkins Loan, Federal Work-Study, Federal Supplemental Educational Opportunity Grant, William D. Ford Federal Direct Loan, and TEACH Grant Programs

AGENCY: Federal Student Aid, U.S. Department of Education.

ACTION: Notice of revision of the Federal Need Analysis Methodology for the 2011-2012 award year.

SUMMARY: The Secretary announces the annual updates to the tables that will be used in the statutory "Federal Need Analysis Methodology" to determine a student's expected family contribution (EFC) for award year 2011-2012 for the student financial aid programs authorized under title IV of the Higher Education Act of 1965, as amended (HEA). An EFC is the amount a student and his or her family may reasonably be expected to contribute toward the student's postsecondary educational costs for purposes of determining financial aid eligibility. The Title IV programs include the Federal Pell Grant, Federal Perkins Loan, Federal Work-Study, Federal Supplemental Educational Opportunity Grant, William D. Ford Federal Direct Loan, and the Teach Grant Programs (Title IV, HEA Programs).

FOR FURTHER INFORMATION CONTACT: Ms. Marya Dennis, Management and Program Analyst, U.S. Department of Education, room 63G2, Union Center Plaza, 830 First Street, NE., Washington, DC 20202-5454. Telephone: (202) 377-3385.

If you use a telecommunications device for the deaf (TDD), call the Federal Relay Service (FRS), toll free, at 1-800-877-8339.

Individuals with disabilities can obtain this document in an accessible format (e.g., braille, large print,

audiotope, or computer diskette) on request to the contact person listed under **FOR FURTHER INFORMATION CONTACT**.

SUPPLEMENTARY INFORMATION: Part F of title IV of the HEA specifies the criteria, data elements, calculations, and tables used in the Federal Need Analysis Methodology EFC calculations.

Section 478 of part F of title IV of the HEA requires the Secretary to adjust four of the tables—the Income Protection Allowance, the Adjusted Net Worth of a Business or Farm, the Education Savings and Asset Protection Allowance, and the Assessment Schedules and Rates—each award year for general price inflation. The changes are based, in general, upon increases in the Consumer Price Index.

For award year 2011-2012, the Secretary is charged with updating the income protection allowance for parents of dependent students, adjusted net worth of a business or farm, and the assessment schedules and rates to account for inflation that took place between December 2009 and December 2010. However, because the Secretary must publish these tables before December 2010, the increases in the tables must be based upon a percentage equal to the estimated percentage increase in the Consumer Price Index for All Urban Consumers (CPI-U) for 2010. The Secretary must also account for any misestimation of inflation for the prior year. In developing the table values for the 2010-2011 award year, the Secretary assumed a 4.1 percent increase in the CPI-U for the period December 2008 through December 2009. Actual inflation for this time period was 2.7 percent. The Secretary estimates that the increase in the CPI-U for the period December 2009 through December 2010 will be 1.2 percent. Last year's overestimate of inflation for 2009 (4.1 percent minus 2.7 percent) exceeds this year's estimate of inflation for 2010. However, the Secretary lacks statutory authority to reduce the table values in the need analysis formula. Thus, the income protection allowance for parents of dependent students, the adjusted net worth of a business or farm, and the assessment schedules and rates are unchanged from 2010-2011. Additionally, section 601 of the College Cost Reduction and Access Act of 2007 (CCRAA, Pub. L. 110-84) amended sections 475 through 478 of the HEA by updating the procedures for determining the income protection allowance for dependent students as well as the income protection allowance tables for both independent students with dependents other than a spouse and

independent students without dependents other than a spouse. As amended by the CCRAA, the HEA established new 2011–2012 award year values for these income protection allowances. The updated tables are in sections 1, 2, and 4 of this notice.

The Secretary must also revise, for each award year, the education savings and asset protection allowances as provided for in section 478(d) of the HEA. The Education Savings and Asset Protection Allowance table for award

year 2011–2012 has been updated in section 3 of this notice. Section 478(h) of the HEA also requires the Secretary to increase the amount specified for the Employment Expense Allowance, adjusted for inflation. This calculation is based upon increases in the Bureau of Labor Statistics budget of the marginal costs for a two-worker family compared to a one-worker family for food away from home, apparel, transportation, and household furnishings and operations. The Employment Expense Allowance

table for award year 2011–2012 has been updated in section 5 of this notice.

The HEA provides for the following annual updates:

1. *Income Protection Allowance (IPA)*. This allowance is the amount of living expenses associated with the maintenance of an individual or family that may be offset against the family's income. It varies by family size. The IPA for the dependent student is \$5,250. The IPAs for parents of dependent students for award year 2011–2012 are:

PARENTS OF DEPENDENT STUDENTS

| Family size | Number in college | | | | |
|-------------|-------------------|----------|----------|----------|----------|
| | 1 | 2 | 3 | 4 | 5 |
| 2 | \$16,230 | \$13,450 | | | |
| 3 | 20,210 | 17,450 | \$14,670 | | |
| 4 | 24,970 | 22,190 | 19,430 | \$16,650 | |
| 5 | 29,460 | 26,680 | 23,920 | 21,140 | \$18,380 |
| 6 | 34,460 | 31,680 | 28,920 | 26,140 | 23,380 |

For each additional family member add \$3,890.

For each additional college student subtract \$2,760.

The IPAs for independent students with dependents other than a spouse for award year 2011–12 are:

INDEPENDENT STUDENTS WITH DEPENDENTS OTHER THAN A SPOUSE

| Family size | Number in college | | | | |
|-------------|-------------------|----------|----------|----------|----------|
| | 1 | 2 | 3 | 4 | 5 |
| 2 | \$21,660 | \$17,960 | | | |
| 3 | 26,960 | 23,280 | \$19,580 | | |
| 4 | 33,300 | 29,600 | 25,920 | \$22,210 | |
| 5 | 39,300 | 35,590 | 31,900 | 28,200 | \$24,520 |
| 6 | 45,950 | 42,250 | 38,580 | 34,860 | 31,190 |

For each additional family member add \$5,180.

For each additional college student subtract \$3,690.

The IPAs for single independent students and independent students without dependents other than a spouse for award year 2011–12 are:

| Marital status | Number in college | IPA |
|----------------|-------------------|---------|
| Single | 1 | \$8,550 |
| Married | 2 | 8,550 |
| Married | 1 | 13,710 |

2. *Adjusted Net Worth (NW) of a Business or Farm*. A portion of the full net value of a business or farm is excluded from the calculation of an expected contribution because—(1) The

income produced from these assets is already assessed in another part of the formula; and (2) the formula protects a portion of the value of the assets. The portion of these assets included in the contribution calculation is computed according to the following schedule. This schedule is used for parents of dependent students, independent students without dependents other than a spouse, and independent students with dependents other than a spouse.

| If the net worth of a business or farm is— | Then the adjusted net worth (NW) is— |
|--|--|
| Less than \$1 | \$0. |
| \$1 to \$115,000 | \$0 + 40% of NW. |
| \$115,001 to \$345,000 | \$46,000 + 50% of NW over \$115,000. |
| \$345,001 to \$580,000 | \$161,000 + 60% of NW over \$345,000. |
| \$580,001 or more | \$302,000 + 100% of NW over \$580,000. |

3. *Education Savings and Asset Protection Allowance*. This allowance protects a portion of net worth (assets less debts) from being considered

available for postsecondary educational expenses. There are three asset protection allowance tables—one for parents of dependent students, one for

independent students without dependents other than a spouse, and one for independent students with dependents other than a spouse.

DEPENDENT STUDENTS

| | And they are | |
|-----------------------------------|---|--------|
| | Married | Single |
| If the age of the older parent is | Then the education savings and asset protection allowance is— | |
| 25 or less | 0 | 0 |
| 26 | 2,500 | 900 |
| 27 | 5,100 | 1,800 |
| 28 | 7,600 | 2,700 |
| 29 | 10,200 | 3,500 |
| 30 | 12,700 | 4,400 |
| 31 | 15,300 | 5,300 |
| 32 | 17,800 | 6,200 |
| 33 | 20,400 | 7,100 |
| 34 | 22,900 | 8,000 |
| 35 | 25,500 | 8,900 |
| 36 | 28,000 | 9,800 |
| 37 | 30,600 | 10,600 |
| 38 | 33,100 | 11,500 |
| 39 | 35,700 | 12,400 |
| 40 | 38,200 | 13,300 |
| 41 | 38,900 | 13,600 |
| 42 | 39,900 | 13,900 |
| 43 | 40,900 | 14,200 |
| 44 | 41,900 | 14,500 |
| 45 | 42,900 | 14,900 |
| 46 | 44,000 | 15,200 |
| 47 | 45,100 | 15,500 |
| 48 | 46,200 | 15,900 |
| 49 | 47,400 | 16,300 |
| 50 | 48,800 | 16,700 |
| 51 | 50,000 | 17,100 |
| 52 | 51,200 | 17,500 |
| 53 | 52,800 | 18,000 |
| 54 | 54,300 | 18,400 |
| 55 | 55,600 | 18,800 |
| 56 | 57,300 | 19,300 |
| 57 | 58,700 | 19,800 |
| 58 | 60,400 | 20,300 |
| 59 | 62,200 | 20,800 |
| 60 | 64,000 | 21,400 |
| 61 | 65,800 | 22,000 |
| 62 | 67,700 | 22,600 |
| 63 | 70,000 | 23,200 |
| 64 | 72,000 | 23,800 |
| 65 or older | 74,000 | 24,500 |

INDEPENDENT STUDENTS WITHOUT DEPENDENTS OTHER THAN A SPOUSE

| | And they are | |
|------------------------------|---|--------|
| | Married | Single |
| If the age of the student is | Then the education savings and asset protection allowance is— | |
| 25 or less | 0 | 0 |
| 26 | 2,500 | 900 |
| 27 | 5,100 | 1,800 |
| 28 | 7,600 | 2,700 |
| 29 | 10,200 | 3,500 |
| 30 | 12,700 | 4,400 |
| 31 | 15,300 | 5,300 |
| 32 | 17,800 | 6,200 |
| 33 | 20,400 | 7,100 |
| 34 | 22,900 | 8,000 |
| 35 | 25,500 | 8,900 |
| 36 | 28,000 | 9,800 |
| 37 | 30,600 | 10,600 |
| 38 | 33,100 | 11,500 |
| 39 | 35,700 | 12,400 |
| 40 | 38,200 | 13,300 |
| 41 | 38,900 | 13,600 |
| 42 | 39,900 | 13,900 |

INDEPENDENT STUDENTS WITHOUT DEPENDENTS OTHER THAN A SPOUSE—Continued

| | And they are | |
|------------------------------|---|--------|
| | Married | Single |
| If the age of the student is | Then the education savings and asset protection allowance is— | |
| 43 | 40,900 | 14,200 |
| 44 | 41,900 | 14,500 |
| 45 | 42,900 | 14,900 |
| 46 | 44,000 | 15,200 |
| 47 | 45,100 | 15,500 |
| 48 | 46,200 | 15,900 |
| 49 | 47,400 | 16,300 |
| 50 | 48,800 | 16,700 |
| 51 | 50,000 | 17,100 |
| 52 | 51,200 | 17,500 |
| 53 | 52,800 | 18,000 |
| 54 | 54,300 | 18,400 |
| 55 | 55,600 | 18,800 |
| 56 | 57,300 | 19,300 |
| 57 | 58,700 | 19,800 |
| 58 | 60,400 | 20,300 |
| 59 | 62,200 | 20,800 |
| 60 | 64,000 | 21,400 |
| 61 | 65,800 | 22,000 |
| 62 | 67,700 | 22,600 |
| 63 | 70,000 | 23,200 |
| 64 | 72,000 | 23,800 |
| 65 or older | 74,000 | 24,500 |

INDEPENDENT STUDENTS WITH DEPENDENTS OTHER THAN A SPOUSE

| | And they are | |
|------------------------------|---|--------|
| | Married | Single |
| If the age of the student is | Then the education savings and asset protection allowance is— | |
| 25 or less | 0 | 0 |
| 26 | 2,500 | 900 |
| 27 | 5,100 | 1,800 |
| 28 | 7,600 | 2,700 |
| 29 | 10,200 | 3,500 |
| 30 | 12,700 | 4,400 |
| 31 | 15,300 | 5,300 |
| 32 | 17,800 | 6,200 |
| 33 | 20,400 | 7,100 |
| 34 | 22,900 | 8,000 |
| 35 | 25,500 | 8,900 |
| 36 | 28,000 | 9,800 |
| 37 | 30,600 | 10,600 |
| 38 | 33,100 | 11,500 |
| 39 | 35,700 | 12,400 |
| 40 | 38,200 | 13,300 |
| 41 | 38,900 | 13,600 |
| 42 | 39,900 | 13,900 |
| 43 | 40,900 | 14,200 |
| 44 | 41,900 | 14,500 |
| 45 | 42,900 | 14,900 |
| 46 | 44,000 | 15,200 |
| 47 | 45,100 | 15,500 |
| 48 | 46,200 | 15,900 |
| 49 | 47,400 | 16,300 |
| 50 | 48,800 | 16,700 |
| 51 | 50,000 | 17,100 |
| 52 | 51,200 | 17,500 |
| 53 | 52,800 | 18,000 |
| 54 | 54,300 | 18,400 |
| 55 | 55,600 | 18,800 |
| 56 | 57,300 | 19,300 |
| 57 | 58,700 | 19,800 |
| 58 | 60,400 | 20,300 |
| 59 | 62,200 | 20,800 |

INDEPENDENT STUDENTS WITH DEPENDENTS OTHER THAN A SPOUSE—Continued

| | And they are | |
|------------------------------|---|--------|
| | Married | Single |
| If the age of the student is | Then the education savings and asset protection allowance is— | |
| 60 | 64,000 | 21,400 |
| 61 | 65,800 | 22,000 |
| 62 | 67,700 | 22,600 |
| 63 | 70,000 | 23,200 |
| 64 | 72,000 | 23,800 |
| 65 or older | 74,000 | 24,500 |

4. Assessment Schedules and Rates. Two schedules that are subject to updates, one for parents of dependent students and one for independent students with dependents other than a spouse, are used to determine the EFC toward educational expenses from

family financial resources. For dependent students, the EFC is derived from an assessment of the parents' adjusted available income (AAI). For independent students with dependents other than a spouse, the EFC is derived from an assessment of the family's AAI.

The AAI represents a measure of a family's financial strength, which considers both income and assets.

The parents' contribution for a dependent student is computed according to the following schedule:

| If AAI is— | Then the contribution is— |
|-----------------------------|-------------------------------------|
| Less than —\$3,409 | —\$750. |
| (\$3,409) to \$14,500 | 22% of AAI. |
| \$14,501 to \$18,200 | \$3,190 + 25% of AAI over \$14,500. |
| \$18,201 to \$21,900 | \$4,115 + 29% of AAI over \$18,200. |
| \$21,901 to \$25,600 | \$5,188 + 34% of AAI over \$21,900. |
| \$25,601 to \$29,300 | \$6,446 + 40% of AAI over \$25,600. |
| \$29,301 or more | \$7,926 + 47% of AAI over \$29,300. |

The contribution for an independent student with dependents other than a

spouse is computed according to the following schedule:

| If AAI is— | Then the contribution is— |
|-----------------------------|-------------------------------------|
| Less than —\$3,409 | —\$750. |
| (\$3,409) to \$14,500 | 22% of AAI. |
| \$14,501 to \$18,200 | \$3,190 + 25% of AAI over \$14,500. |
| \$18,201 to \$21,900 | \$4,115 + 29% of AAI over \$18,200. |
| \$21,901 to \$25,600 | \$5,188 + 34% of AAI over \$21,900. |
| \$25,601 to \$29,300 | \$6,446 + 40% of AAI over \$25,600. |
| \$29,301 or more | \$7,926 + 47% of AAI over \$29,300. |

5. Employment Expense Allowance. This allowance for employment-related expenses, which is used for the parents of dependent students and for married independent students, recognizes additional expenses incurred by working spouses and single-parent households. The allowance is based upon the marginal differences in costs for a two-worker family compared to a one-worker family for food away from home, apparel, transportation, and household furnishings and operations.

The employment expense allowance for parents of dependent students, married independent students without dependents other than a spouse, and independent students with dependents other than a spouse is the lesser of \$3,500 or 35 percent of earned income.

6. Allowance for State and Other Taxes. The allowance for State and other taxes protects a portion of the parents' and students' income from being considered available for postsecondary educational expenses.

There are four categories for State and other taxes, one each for parents of dependent students, independent students with dependents other than a spouse, dependent students, and independent students without dependents other than a spouse. Section 478(g) of the HEA directs the Secretary to update the tables for State and other taxes after reviewing the Statistics of Income file data maintained by the Internal Revenue Service.

| State | Parents of dependents and independents with dependents other than a spouse | | Dependents and independents without dependents other than a spouse |
|---------------|--|----------------------------|--|
| | Under \$15,000 (in percent) | \$15,000 & Up (in percent) | |
| Alabama | 3 | 2 | All (in percent) 2 |

| State | Parents of dependents and independents with dependents other than a spouse | | Dependents and independents without dependents other than a spouse |
|----------------------------|--|-------------------------------|--|
| | Under \$15,000 (in percent) | \$15,000 & Up (in percent) | All (in percent) |
| | | | |
| Alaska | 2 | 1 | 0 |
| Arizona | 5 | 4 | 3 |
| Arkansas | 4 | 3 | 3 |
| California | 8 | 7 | 5 |
| Colorado | 5 | 4 | 3 |
| Connecticut | 7 | 6 | 4 |
| Delaware | 5 | 4 | 3 |
| District of Columbia | 7 | 6 | 6 |
| Florida | 4 | 3 | 1 |
| Georgia | 6 | 5 | 4 |
| Hawaii | 4 | 3 | 4 |
| Idaho | 5 | 4 | 4 |
| Illinois | 6 | 5 | 2 |
| Indiana | 4 | 3 | 3 |
| Iowa | 5 | 4 | 3 |
| Kansas | 5 | 4 | 3 |
| Kentucky | 5 | 4 | 4 |
| Louisiana | 3 | 2 | 2 |
| Maine | 6 | 5 | 4 |
| Maryland | 8 | 7 | 6 |
| Massachusetts | 6 | 5 | 4 |
| Michigan | 5 | 4 | 3 |
| Minnesota | 6 | 5 | 4 |
| Mississippi | 3 | 2 | 2 |
| Missouri | 5 | 4 | 3 |
| Montana | 5 | 4 | 3 |
| Nebraska | 5 | 4 | 3 |
| Nevada | 4 | 3 | 1 |
| New Hampshire | 5 | 4 | 1 |
| New Jersey | 10 | 9 | 5 |
| New Mexico | 3 | 2 | 2 |
| New York | 9 | 8 | 6 |
| North Carolina | 6 | 5 | 4 |
| North Dakota | 3 | 2 | 1 |
| Ohio | 6 | 5 | 4 |
| Oklahoma | 4 | 3 | 3 |
| Oregon | 8 | 7 | 5 |
| Pennsylvania | 5 | 4 | 3 |
| Rhode Island | 7 | 6 | 4 |
| South Carolina | 5 | 4 | 3 |
| South Dakota | 2 | 1 | 1 |
| Tennessee | 2 | 1 | 1 |
| Texas | 3 | 2 | 1 |
| Utah | 5 | 4 | 4 |
| Vermont | 6 | 5 | 3 |
| Virginia | 6 | 5 | 4 |
| Washington | 4 | 3 | 1 |
| West Virginia | 3 | 2 | 2 |
| Wisconsin | 7 | 6 | 4 |
| Wyoming | 2 | 1 | 1 |
| Other | 3 | 2 | 2 |

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(Catalog of Federal Domestic Assistance Numbers: 84.063 Federal Pell Grant Program; 84.038 Federal Perkins Loan Program; 84.033 Federal Work-Study Programs; 84.007 Federal Supplemental Educational Opportunity Grant Program; 84.268 William D. Ford Federal Direct Loan Program; 84.379 TEACH Grant Program)

Program Authority: 20 U.S.C. 1087rr.

Dated: May 24, 2010.

William J. Taggart,
Chief Operating Officer, Federal Student Aid.
[FR Doc. 2010-12799 Filed 5-26-10; 8:45 am]

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