

DEPARTMENT OF EDUCATION**34 CFR Parts 655, 656, and 657**

RIN 1840-AD94

[Docket ID ED-2024-OPE-0017]

National Resource Centers Program and Foreign Language and Area Studies Fellowships Program**AGENCY:** Office of Postsecondary Education, Department of Education.**ACTION:** Final rule.

SUMMARY: The U.S. Department of Education (Department) amends the regulations that govern the National Resource Centers (NRC) Program, Assistance Listing Number 84.015A, and the Foreign Language and Area Studies (FLAS) Fellowships Program, Assistance Listing Number 84.015B. These regulations clarify interpretations of statutory language, redesign the selection criteria, and make necessary updates based upon program management experience. These regulations remove ambiguity and redundancy in the selection criteria and definitions of key terms, improve the application process, and align the administration of these programs with developments in modern foreign language and area studies education.

DATES: This rule is effective September 26, 2024 except for the regulations amending parts 656 (instruction 8) and 657 (instruction 9), which are effective on August 15, 2025.

Applicability date: Parts 656 and 657 apply to all applications submitted and all new awards made under these parts for the NRC Program and FLAS Fellowships Program after August 15, 2025.

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SUPPLEMENTARY INFORMATION:

Purpose of this Regulatory Action: The regulations for the NRC Program and FLAS Fellowships Program were last amended in 2009 (74 FR 35070) and were impacted by subsequent technical corrections made to 34 CFR part 655, International Education Programs—General Provisions, adopted in 2014 (79 FR 75867). Because these regulations provide the foundation for the administration of these programs, we

have reviewed them, evaluated them for provisions that, over time, have become outdated, unnecessary, or inconsistent with other Department regulations as well as with established practices for administering these programs in the Department, and identified ways in which they can be updated, streamlined, and otherwise improved. Specifically, we amend parts 655, 656, and 657 of title 34 of the Code of Federal Regulations. We published a Notice of Proposed Rulemaking (NPRM) detailing proposed changes earlier this year (89 FR 13516).

These final regulations incorporate several significant related changes to the proposed regulations contained in the NPRM. We also made several minor technical and editorial changes in these final regulations. We describe these changes in more detail in the *Analysis of Comments and Changes* section below. Below is a brief overview of significant related changes to these final regulations compared to the NPRM.

Program purposes. We added a new section in part 655 that describes the purposes of the International Education Programs, including the NRC Program and FLAS Fellowships Program, authorized by title VI of the Higher Education Act of 1965, as amended (HEA). The final regulations for the NRC Program and FLAS Fellowships Program now refer to these broader purposes of the International Education Programs.

Undergraduate centers. We added a cost limitation for undergraduate NRCs that requires projects and project activities to predominantly benefit undergraduate teaching and learning. Other changes more closely align selection criteria with the expectation that undergraduate NRCs make a distinctive contribution by preparing undergraduate students to matriculate into advanced language and area studies programs and professional language school programs.

Fellowship payments. We maintained the current structure of fellowship payments for the FLAS Fellowships Program, meaning that fellowships will continue to consist of an institutional payment and a stipend payment in addition to any permitted allowances.

Educational programs. We substantially revised the educational program eligibility criterion for the FLAS Fellowships Program. The educational program eligibility requirement will not apply to summer fellowships. In addition, these final regulations allow students in science, technology, engineering, and mathematics (STEM) and professional fields to satisfy this eligibility

requirement during the academic year through a combination of academic advising and coursework, even if their educational programs do not ordinarily include or require modern foreign language study or area studies coursework.

Institutional responsibilities. We added a new section in part 657 that describes the responsibilities of institutions that receive an allocation of fellowships under the FLAS Fellowships Program. This section enumerates existing responsibilities of institutions receiving funding under that part without adding additional obligations.

Employment practices. We eliminated consideration of employment practices from the selection criteria for the NRC Program.

Required assurances. We added a new assurance for both the NRC Program and FLAS Fellowships Program addressing employment practices and institutional travel policies. These assurances are a required component of applications to these programs.

Public Comment: In response to our invitation in the NPRM, the Department received 113 comments on the proposed regulations. We address those comments in the *Analysis of Comments and Changes* section below.

Analysis of Comments and Changes

An analysis of the public comments received and the changes to the regulations since publication of the NPRM follows. We group issues according to subject. We discuss other substantive issues under the sections of the regulations to which they pertain. Generally, we do not address minor, non-substantive changes (such as renumbering paragraphs, adding a word, or typographical errors). Additionally, we do not address recommended changes that the statute does not authorize the Secretary to make or comments pertaining to operational processes. We generally do not address comments pertaining to issues that were not within the scope of the NPRM.

Purposes of the NRC Program and FLAS Fellowships Program

Comments: One commenter noted the proposed regulations adequately address the mission of the NRC Program and FLAS Fellowships Program through the addition of new definitions. However, the commenter suggested addressing the mission or purpose at greater length in §§ 656.1 and 657.1, noting that such an addition would help applicants and evaluators understand the fundamental purpose of the

programs, leading to better applications and evaluations.

Discussion: We agree with the commenter that the programs serve the security, stability, and economic vitality of the United States. Indeed, Congress made a finding that, “The security, stability, and economic vitality of the United States in a complex global era depend upon American experts in and citizens knowledgeable about world regions, foreign languages, and international affairs, as well as upon a strong research base in these areas.”¹ We agree the regulations should provide greater clarity on how the purposes of the various programs authorized under title VI of the HEA apply to the NRC Program and the FLAS Fellowships Program. The final regulations address this matter by adding a new § 655.5 that incorporates the statutory purposes of the International Education Programs; specifies how the purposes apply to these programs, including the NRC Program and the FLAS Fellowships Program; and summarizes the Department’s obligation to coordinate these Federal programs. We have provided further clarification of the statutory program purposes that apply to the NRC Program and the FLAS Fellowships program in §§ 656.1 and 657.1, respectively.

Changes: We added § 655.5, which addresses the purposes of the programs authorized by part A of title VI of the HEA. We also added new §§ 656.1(b) and 657.1(b) that refer to the new § 655.5.

Geographic Area of Focus Requirement for the NRC Program and the FLAS Fellowships Program

Comments: Ten commenters expressed disagreement with the proposed requirement of a geographic focus for NRC and FLAS grants. The commenters concluded that, by eliminating an international category that does not take into account a geographic area of focus for the NRC Program and FLAS Fellowships Program, the programs would lose the distinctive perspective provided by an exclusively international focus and adversely affect international studies programs, which benefit from funding under these programs. One commenter specifically described international NRCs as especially nimble in their ability to respond to emerging crises and community needs. Furthermore, commenters explained how current global and international studies NRCs work collaboratively to support education on important global issues.

One commenter argued that the proposal to eliminate an international focus runs counter to the program’s intent by forcing a focus on individual regions in isolation, rather than encouraging the development of cross-regional and cross-national comprehensive and comparative expertise. Another commenter said that this change would significantly reduce collaboration among, and the leveraged funding of activities by, NRCs at the same institution, other institutions, and across national networks of area studies centers. According to this commenter, international centers do not excel in specific, clearly defined geographic areas, because they are global in scope. It would be much more difficult for them to compete for grants in a world region category with other area studies centers. One commenter contended that requiring geographic focus would essentially end international studies, including critical research on cybersecurity, public health, immigration, and climate change from an international perspective. One commenter noted that any effort to increase capacity is impractical because NRCs do not directly control various decisions related to resources on campuses. Five commenters supported the geographic focus requirement. One lauded the change because it may help to ensure that all centers are planning cohesive and well thought out programs that tie global issues to the region of focus, while another agreed with the importance of grounding thematic or “international” centers geographically and linguistically, while allowing for spatial configurations that reflect dynamic global flows of people, goods, and ideas.

Discussion: For the reasons we stated in the NPRM, we believe that a geographic focus requirement is supported under the statute and will help ensure that we can distribute funds in a manner consistent with the consultation on areas of national need, which necessarily generates recommendations related to specific language and geographically defined world areas rather than themes or topics in international studies.

We are committed to administering a program with sufficient flexibility such that we can select grantees and allocate funds in a manner that most effectively implements the purposes of these programs. Although a commenter noted that NRCs without a defined area of geographic focus are particularly nimble in responses to emerging crises and community needs, this characteristic is not unique to one category of NRCs. One way to interpret this responsiveness is

the ability to provide unanticipated programming and to shift grant funds to new project activities with relative ease as conditions in the world change. NRCs with a geographic focus would have such flexibility under the standard procedures for the revision of budget and program plans in 2 CFR 200.308. For example, if an armed conflict arises, if the conflict is relevant to a Center, it may request approval from the Department to reallocate funds to support related activities. We work with all grantees to maximize the extent to which areas of national need are met, but these needs tend to be articulated in terms of specific languages and geographic world areas, which supports a geographic focus requirement. We remain committed to an efficient and effective distribution of funds across and within these programs.

We do not agree that this requirement will mean the loss of international perspective. Area studies, as defined in 20 U.S.C. 1132(a), is a broad concept based on the comprehensive study of specific societies that does not exclude any discipline or approach. The inclusion of “societies” in this definition complements the program’s interest in modern foreign languages and specific places, as articulated in 20 U.S.C. 1122(a)(1)(B)(i)–(ii). International studies’ approaches complement the specificity of area studies by drawing attention to patterns, trends, and phenomena relevant to understanding the larger context in which societies exist. Our view of the relationship between area studies and international studies aligns with the larger program goals of 20 U.S.C. 1122(a)(1)(B), as described in the NPRM. That is, even with a geographical focus, Centers must still engage in all the specified activities to meet the program’s purpose, including support for international studies. Centering a geographic world area also will help Centers align their activities to the recommendations provided by the “consultation on areas of national need” for expertise in foreign languages and world regions required by 20 U.S.C. 1121(c)(1).

Under the final regulations, Centers will retain the flexibility to define their geographic area of focus, which may be a traditionally recognized world region, a single country, or another configuration of space that draws attention to world issues, peoples, and any related languages outside the United States. This approach is not incompatible with alternative approaches to defining a world area through linguistic or cultural frameworks. Some of the programs’ current categories reflect, in part,

¹ 20 U.S.C. 1121(a)(1).

linguistic and cultural affinities that have been spatialized to the point of being normalized as a world area. Such categories are not timeless and are subject to modification as scholarly, political, administrative, and other understandings change, particularly through attention to minoritized groups that tend to straddle boundaries between these areas. Likewise, nothing in the regulations precludes the creation of alternative configurations of space that overlap, replace, or fundamentally change other categories defined in geographic terms. For example, Lusophone communities in Africa, Sufi communities in Southeast Asia, and Japanese diaspora communities in South America are possible geographic areas of focus that are neither so general as to define the entire world as a region, nor so conventional that they refer to a single traditional world area. Applications that propose a geographic area of focus that spans more than one world area meet the geographic focus requirement. However, we may need to use certain world area categories for administrative purposes, such as the implementation of program priorities or grants administration. Consequently, applicants to these programs may need to use these categories as a shorthand for describing their geographic area of focus, including foci that span multiple world area categories. The selection criteria are sufficiently flexible that applicants will have the opportunity to explain the rationale for the chosen focus or foci and describe the alignment of that focus or those foci with resources and proposed activities.

We do not believe that this requirement will imperil international studies programs. These grants are intended to stimulate specific types of activity. Under the statute, all Centers must perform four functions: modern language instruction, area studies, international studies, and research and teaching on global issues. Highlighting these expectations strengthens the program's overall emphasis on international studies and global issues. These functions also reinforce how the existence and accessibility of high-quality instruction in Less Commonly Taught Languages at all levels is vital to area studies and modern foreign language education in the United States. Teaching and learning the world's languages are foundational elements of the NRC and FLAS Fellowships Programs. These programs continue to address the national need for expertise in these languages originally identified in title VI of the National Defense Education Act of 1958 that created these

programs. Sustaining and expanding high-quality instruction in a wide variety of these languages at institutions of higher education (IHEs) in the United States contributes to national security and economic prosperity. The commitment to area studies in these programs ensures that the cultivation of expertise in local, regional, international, and global contexts accompanies and reinforces the growth of proficiency in at least one world language. Critically, these programs also support the development of proficiency in multiple world languages, including the Less Commonly Taught Languages that are rarely or never routinely taught at IHEs in the United States, to support nuanced understanding of complex global issues in the past, present, and future. Many of the Less Commonly Taught Languages are underserved by emerging translation technologies because these technologies rely on a large and accessible corpus of training materials. Human expertise in languages and the local context in which these languages are used are a critical resource.

The inherent flexibility of grants under these programs, even with the new requirements, will allow funded grant projects to continue to support efforts to integrate area studies with international, global, or macro-level perspectives. As commenters suggested, current Centers with an international thematic focus with or without a geographical focus may struggle to implement project activities that increase capacity precisely because they are unable to coordinate all relevant resources at an IHE. Commenters did not suggest that Centers with a geographical focus face the same type of challenge, despite facing the same expectation to balance area studies and international studies approaches. We believe the geographic focus requirement will help ensure the effective stewardship of Federal funds by improving the alignment of project activities with the program purposes. Furthermore, nothing precludes an applicant with a general global or international focus from applying for a grant that proposes to support a more narrowly defined project with a geographical area of focus. Such applicants might be well-positioned to propose projects informed by global or international approaches that avoid any perceived pitfalls associated with a geographic focus.

These grants are intended to stimulate specific types of activity in furtherance of the program's purposes. Some administrative units may rely on grants for their existence. Many do not. The

same can be said for curricula and the resources that support them more broadly at institutions. While these grants may enable certain project activities, many grantee institutions have made substantial investments in these fields that are much larger than would be possible by grants under these programs alone. We interpret this as a sign of success. Under these final regulations, institutions may continue to sustain and support these initiatives. However, to meet the statutory requirement that all Centers support area and international studies, institutions may need to rethink their approach to international studies to promote such a synthesis. Commenters have pointed out that many global and international Centers cooperate with area studies Centers and that other centers already draw upon area studies expertise at their institutions. Similarly, many of the academic programs, such as undergraduate international studies programs, combine language and area studies along with more thematic global and international elements. These types of practices and educational programs demonstrate the complementarity of area studies and international studies.

Finally, commenters described how Centers without a geographic area of focus frequently serve a coordination function that links multiple Centers or connects external parties to specialized resources, such as Centers with a geographic focus. We appreciate learning about the multitude of institutional arrangements that exist among current grantees, but we conclude these arrangements are products of specific institutional factors and local circumstances rather than an intended outcome of the NRC Program and the FLAS Fellowships Program. Grantees have the flexibility to adopt institutional reforms and practices that most effectively support implementation of project activities for these programs, provided they conform with all obligations associated with an award. We encourage collaboration among grantees and fully expect that the network of grantees will continue to support educators throughout the United States.

Changes: We have revised §§ 656.3(a)(1) and 657.3(a)(1) to expressly allow for a geographical focus that spans multiple world areas. We have also revised the NRC selection process in § 656.20(c) and the FLAS selection process in § 657.20(c) to clarify that applications are ranked within each group of applications that shares the same or similar area of focus.

Grouping of World Areas at Area Studies Centers

Comments: One commenter encouraged the Department to require that IHEs separate Middle East studies and South Asian studies in any Center that combines them.

Discussion: We do not define specific world regions or determine their appropriateness in the proposed or final regulations. Centers are administrative units within IHEs, so IHEs determine the purpose and structure of those administrative units.

Changes: None.

Emphasis on Less Commonly Taught Languages for the NRC Program and the FLAS Fellowships Program

Comments: One commenter supported the emphasis on Less Commonly Taught Languages in the regulations.

Discussion: We appreciate the commenter's support.

Changes: None.

Funding for Title VI Programs, Including the NRC and FLAS Fellowships Programs

Comments: Several commenters expressed generalized concern that the purpose of the proposed regulations could be interpreted as a recommendation to reduce the level of funding for programs authorized under title VI of the HEA, especially the NRC and FLAS Fellowships Programs. These commenters noted these programs support vital educational activities.

Discussion: Funding levels for programs authorized under title VI of the HEA, including the NRC and FLAS Fellowships Programs, are not determined by program regulations. We agree these programs contribute to national security and prosperity, among other possible contributions.

Changes: None.

Definitions of Areas of National Need and Diverse Perspectives for Title VI Programs

Comments: Four commenters lauded the proposed definitions of "diverse perspectives" and "areas of national need." One commenter did not believe the definitions would be effective, claiming that the instruction at NRCs is biased and that the area studies scholarly community is not equipped to ensure diverse perspectives.

Discussion: We agree with the commenters who found the definitions helpful. Diverse perspectives help build a robust evidentiary base that supports a comprehensive understanding of issues derived from a multiplicity of relevant perspectives, research

methodologies, and lively scholarly debate.

Changes: None.

Conducting the Consultation on Areas of National Need for Title VI Programs

Comments: One commenter stated the proposed regulations did not identify how the Secretary will engage in the required consultation on areas of national need, how the Secretary will determine areas of national need, how the Secretary will include consultation results in the request for applications, or how the Secretary will make available to applicants a list of areas identified as areas of national need. The commenter also stated that the regulations should prioritize the results more strongly in grant competitions in order to persuade more applicants to attempt to serve the identified national needs. One commenter expressed concern about the possible application of world area priorities derived from the consultation on national need during the selection process.

Discussion: We do not believe that it is necessary to describe the consultation process in greater detail than the description in the statute. We have conducted these consultations in the past and the results of these consultations since 2012 are available on the Department's website.² The definitions of "areas of national need" and "consultation on areas of national need" in these regulations provide sufficient clarity for the purpose of conducting the consultation and aligning the NRC Program and FLAS Fellowships Program with the competition.

The consultation informs the priorities we include in the competition priorities and the notice inviting applications. After using the consultation to develop priorities for these purposes, we do not return to the consultation, but the results of the consultation remain available for applicants to review. We consider how applications address those priorities and the other selection criteria during the selection process. That is, we read the applications against those priorities and related selection criteria, and not directly against the consultation. Applicants may reference the results of the consultation when responding to the selection criteria at §§ 656.21(c)(4), 656.21(d)(2), 656.22(c)(4), 656.21(d)(2), 656.23(a)(3), 657.21(d)(2), and 657.21(d)(3) in the context of addressing "areas of national need," which may encompass a broader range of needs in

the government, education, business, and nonprofit sectors for expertise in foreign language, area, and international studies identified by the Secretary.

Sections 656.24(a)(4) and 657.22(a)(9) provide us with sufficient authority to select competition priorities based on the consultation process and consider these priorities during the selection processes for grants under the NRC Program and FLAS Fellowships Program according to the procedures described at §§ 656.20(e) and 657.20(e). We cannot speculate about world area priorities derived from consultations on national need that have not occurred. However, consideration of these priorities in the limited manner described in the regulations will contribute to the alignment of the program with national needs for expertise in area studies and modern foreign languages.

Changes: None.

Diversity Statements and Diverse Perspectives for Title VI Programs

Comments: One commenter encouraged the Department to require Centers receiving title VI funding to disallow sending in diversity statements during the hiring process at IHEs. The commenter went on to say that if the Department is interested in encouraging diverse perspectives, it should employ peer reviewers who hold diverse views.

Discussion: The suggestion to regulate general hiring practices at IHEs is beyond the scope of these regulations and would exceed the statutory authority for these specific discretionary grant programs. The Department always strives to employ expert reviewers during a competition who represent a wide range of relevant expertise.

Changes: None.

Timing and Composition of Applications for the NRC and FLAS Fellowships Programs

Comments: Several commenters expressed concern that the proposed changes are likely to increase the overall burden of submitting applications to the NRC Program and FLAS Fellowships Program because the proposed regulations would eliminate the ability to submit a single application to both programs. One commenter encouraged the Department to align the applications for these programs to the greatest extent possible. One commenter was uncertain about the degree to which the proposed selection criteria for these programs differed. One commenter noted the proposed selection criteria for these programs were largely similar and responding to them in an application narrative would require similar or

² <https://www2.ed.gov/about/offices/list/ope/iegps/languageneeds.html>.

overlapping data. Several commenters believed the proposed changes would result in a change in frequency or timing of the application cycles for these programs. One commenter suggested revisions to the burden hour calculations for these applications.

Discussion: We do not believe that the changes to the application process will significantly increase the burden associated with the submission of applications to both programs. Accordingly, we have not changed the burden estimates associated with the applications based on this change. However, as described in the *Paperwork Reduction Act of 1995* section below, we have changed the calculation of burden hours based on a commenter's assertion that our previous calculations severely underestimated the burden hours and costs associated with these applications.

Currently, and following the implementation of these regulations, there is and will be some overlap among the selection criteria and the data required to respond to them. We have also attempted to align the application processes and requirements as much as possible. Because the purposes and requirements of the programs are different, however, it is to be expected that there are different selection criteria for the programs. Although we are making changes to the selection criteria for each of the programs, we do not expect the cumulative time required to respond to them will change.

As discussed in the NPRM, the changes to the application submission are due to the technical limitations of the systems. These changes do not have any bearing on the competition schedule. The requirement to submit separate applications for each program also conforms to the Department's expectations for grant programs described at 34 CFR 75.125.

Changes: None.

Selection Process for Institutional Awards for the NRC Program and the FLAS Fellowships Program

Comments: Three commenters questioned whether the same expert reviewers will evaluate applications for both the NRC and FLAS Fellowships Programs submitted separately by the same applicant.

Discussion: The regulations create the structure for a fair and transparent selection process for the NRC Program and FLAS Fellowships Program. All grant competitions are conducted according to the Department's policies and procedures. Revising the regulations to address the identity of expert reviewers for two distinct

programs would not benefit the efficient administration of these programs, but it is our intention that the same reviewers will evaluate applications for both of these programs because of the substantial overlap in the selection criteria and complementary program purposes.

Changes: None.

Alignment of Academic Personnel With Proposed Projects for the NRC Program and the FLAS Fellowships Program

Comments: Two commenters requested that we clarify the proposed term "critical mass of scholars" by describing how critical mass will be measured. One commenter questioned whether references to tenure and tenure-track faculty in proposed §§ 656.21(b)(4), 656.22(b)(4), and 657.21(c)(1) disadvantage IHEs without tenure systems. One commenter applauded proposed changes that anchor a grantee's mission and success to available scholarly expertise.

Discussion: We appreciate the commenter who saw a broad effort to enhance the alignment between grantee success and academic resources. We believe the definition of "critical mass of scholars" is sufficiently clear without being overly prescriptive. A reliance on a single metric, such as a minimum number of scholars, would fail to account for the substantial differences in various area studies communities and would not be sensitive to changes over time. We believe peer reviewers are well positioned to determine what constitutes a critical mass of scholars for a particular project. These regulations provide a necessary degree of flexibility for applicants and grantees.

With regard to selection criteria that address the availability of tenured or tenure-track faculty, we decided to retain these criteria even though these criteria may disadvantage an IHE without a tenure system. Both the NRC and FLAS Fellowships Programs are discretionary grant programs that require us to make a determination of excellence based on proposed projects and the resources relevant to area studies and modern foreign language education. We must be reasonably assured that the resources, including faculty and other academic personnel, described in an application selected for funding will continue to exist during the project period. The practice of tenure is one common mechanism in postsecondary education that demonstrates an institution's long-term commitment to employment, which contributes to evaluating the likely success and sustainability of a proposed project. Yet we also provide flexibility

with regard to these selection criteria. Peer reviewers will determine the extent to which "enough qualified tenured and tenure-track faculty" are involved in teaching and advising rather than simply confirming a minimum required number of such faculty are present at the applicant IHE. Applicants may provide contextual information to support peer reviewers' determinations that any amount of such faculty, including none, constitutes a sufficient number in the context of a proposed project.

Changes: None.

Stated Performance Goals for Modern Foreign Language Instruction for the NRC Program and the FLAS Fellowships Program

Comments: One commenter stated both the existing and proposed regulations share a common flaw because they do not define performance-based language instruction.

Discussion: We decided to adopt the phrase "stated performance goals for functional foreign language use" rather than "performance-based language instruction" in the proposed and final regulations. The precise meaning of the former term is likely to change over time due to new research, pedagogical innovations, and standards set by professional or governmental organizations. We believe the term is sufficiently understood among specialists engaged in the various aspects of modern foreign language education without being too limiting or rooted in a single pedagogical approach. Although Centers likely do not directly control the adoption or development of stated performance goals, the use or development of stated performance goals in language instruction facilitates the determination of excellence for the NRC Program and reflects a statutory requirement for the instruction that fellows receive under the FLAS Fellows Program.³

Language instruction that adapts general standards including, but not limited to, Interagency Language Roundtable (ILR) Skills Descriptions,⁴ ACTFL Proficiency Guidelines,⁵ or the Common European Framework of Reference (CEFR) for Languages⁶ when setting learning objectives, goals, or outcomes for modern foreign language courses and programs would satisfy this requirement. Language-specific standards, such as those derived from

³ 20 U.S.C. 1122(b)(2)(A).

⁴ <https://govtilr.org/>.

⁵ <https://www.actfl.org/educator-resources/actfl-proficiency-guidelines>.

⁶ <https://www.coe.int/en/web/common-european-framework-reference-languages/level-descriptions>.

the Japanese-Language Proficiency Test (JLPT),⁷ would similarly satisfy this requirement. IHEs or academic departments also may develop hybrid approaches that combine elements of multiple sources or create locally determined standards. Finally, IHEs may satisfy this requirement by working to develop a system of stated performance goals, even if these goals have not actually been fully developed or adopted during the grant's performance period.

We do not endorse a specific source for stated performance goals because we are not directly evaluating the sufficiency or content of a particular set of stated performance goals used by an applicant or grantee, but we provide these examples for illustrative purposes. A more prescriptive approach, especially one highlighting a specific pedagogical technique or single set of standards, risks inadvertently encouraging future applicants and grantees to implement outmoded methods or approaches. The key expectation is that IHEs have adopted or are working to adopt goals or standards for the use of modern foreign languages that serve as criteria used to structure curricula, design the student learning experience, and assess student learning. In addition to language instruction, stated performance goals may support other processes at grantee IHEs related to educational quality, such as program evaluation, continuous improvement, learner placement, transfer of student credit, and the selection of appropriate overseas programs. Learners may further benefit from being able to communicate their approximate level of proficiency more clearly to others, including academic programs and potential employers, more meaningfully than would be possible through course titles or credit hours alone.

Changes: None.

Area Studies Library Collections

Comments: One commenter expressed appreciation that a consideration of libraries would be possible under the proposed revisions to part 655. One commenter expressed opposition to the criteria in proposed § 657.21(c)(3) and current § 657.21(e)(1). This commenter believed these criteria emphasized collections over the personnel needed to acquire and manage collections. Four commenters expressed general support for libraries and advocated for more support for libraries and area studies collections. One commenter praised the proposed changes to the library criteria, indicating that the changes would likely

result in more collaboration and coordination among libraries thereby easing access to area content across libraries. One commenter expressed concern that the proposed changes to the library criteria de-emphasize HEA, title VI funding to libraries. One commenter praised the inclusion of "library" in the adequacy of resources selection criteria for NRC and FLAS. The same commenter did not see the word "rare" in the proposed regulation when talking about library collections and suggested we add it and suggested including non-extractive collection practices as a signifier of excellence. One commenter noted that applicants and grantees cannot set library policies. One commenter supported evaluating libraries on the basis of access and not on the basis of financial support in the selection criteria for the NRC and FLAS Fellowships Programs.

Discussion: We acknowledge and appreciate the critical contributions that area studies librarians and other information specialists make to area studies and modern foreign language education. Vital research and innovative forms of educational outreach, including knowledge dissemination, would not be possible without their efforts. We agree that experts with specialized knowledge are crucial to curating, expanding, and providing access to materials that support area studies research and teaching throughout the United States. Important library collections are a definitional characteristic of comprehensive NRCs, and under § 656.21(c)(2), library resources will be evaluated by consideration of collections, specifically including the extent to which they are unique, rare, or distinctive, and policies, as well as human resources. However, to better reflect the critical role that librarians and other information specialists play, we are revising the selection criterion to clarify that such experts do not merely support collections but take an active role in administration of these collections, and the full range of expertise required for experts in the field. Although we do not include a reference to non-extractive collection practices in the final regulations, applicants may discuss such approaches if they believe they demonstrate current best practices or professional standards associated with an important library collection.

Funding for area studies library collections and staff represents an important investment in educational infrastructure that supports national security and prosperity. We do not believe these selection criteria will discourage title VI project funding for

libraries. We address libraries in the selection criteria because libraries are an important component of area studies educational infrastructure, and these selection criteria support the selection of applications for funding on the statutorily required basis of excellence. We acknowledge that grantees may be unable to set policies for other administrative units or program, but the regulations require applicants to address multiple indicators of excellence, including access to library collections. In this context, access encompasses both access to physical materials as well as access to digital resources, including rare or distinctive resources. We believe the selection criteria will allow for a balanced consideration of available resources, including experts, as well as accessibility.

Changes: We have revised § 656.21(c)(2) to refer to collections that are "managed" by experts "with appropriate professional training."

Placement of Graduates for the NRC Program and the FLAS Fellowships Program

Comments: One commenter suggested that NRCs should not be measured by their placement of graduates in jobs or graduate programs because universities do not have the ability to place students in specific jobs or programs. The commenter suggested that, while NRCs should prepare their graduates to enter into public service, they should not be evaluated on this basis.

Discussion: Under the HEA, the Department must "consider an applicant's record of placing students into postgraduate employment, education, or training in areas of national need and an applicant's stated efforts to increase the number of such students that go into such placements."⁸ The selection criteria appropriately implement this requirement, which applies to both the NRC Program and the FLAS Fellowships Program.

Changes: None.

Consideration of Barriers to Equitable Access and Employment Practices for the NRC Program and the FLAS Fellowships Program

Comments: One commenter suggested removing proposed § 656.21(a)(5), relating to non-discriminatory hiring practices, from the selection criteria for the NRC Program. The commenter also stated the program statute does not include or support any consideration of barriers to equitable access in the selection criteria for the FLAS

⁷ <https://www.jlpt.jp/e/about/levelsummary.html>.

⁸ 20 U.S.C. 1127(b).

Fellowships Program at § 657.21(e)(2). Two commenters noted an IHE's hiring practices govern the practices of all administrative units, preventing a single administrative unit from developing its own policies.

Discussion: We proposed selection criteria addressing non-discriminatory hiring practices, in part, to facilitate monitoring for compliance with statutory and national policy requirements for Federal assistance, as described in 2 CFR 200.300 and 34 CFR 75.700. These requirements include, but are not limited to, those that protect free speech, religious liberty, public welfare, and the environment, and prohibit discrimination. However, we are convinced by commenters that, because institutional policies provide the general framework for the policies of subsidiary administrative units, the inclusion of selection criteria is not the most appropriate means to support grantee compliance with these national policy requirements. Further, we recognize that the experts who are selected to review NRC Program and FLAS Fellowships Program applications are selected because of their expertise in area studies and modern foreign languages, especially in a postsecondary education context, and not for their expertise in national policy requirements for Federal assistance or in policies that govern employment opportunities.

We believe it would be appropriate to require applicants to provide an assurance addressing employment practices as well as other topics related to institutional policies. We note that 34 CFR 100.4 identifies an assurance as an appropriate mechanism to support compliance with the Civil Rights Act of 1964 among grantees. We also believe an assurance related to travel policies will support compliance with 2 CFR 200.475. The final regulations incorporate these assurances and remove the selection criteria mentioned here.

With regard to § 657.21(e)(2), section 427 of the General Education Provision Act requires the Department's grantees to describe the steps the grantee will take to ensure equitable access to, and participation in, the federally funded activities. Consequently, grantees are required to provide similar information in their applications. We included a selection criterion derived from this statement for the FLAS Fellowships Program because it is an important component of program design that affects program implementation. Attention to equitable access and participation may increase the number of eligible students who apply for

fellowships, which would enhance the competitive aspect of the selection process at grantee IHEs. Expert reviewers will evaluate this criterion as a component of a determination of the excellence of a proposed project. Eliminating this selection criterion would adversely affect our ability to select applications for funding on the statutorily required basis of excellence.

Changes: We have removed the selection criterion in § 656.21(a)(5) and added a requirement to §§ 656.11 and 657.11 that applicants submit an assurance of non-discriminatory hiring practices at the institution and an assurance that a travel policy exists at the institution.

Consideration of Project Goals and Plans for the NRC Program and the FLAS Fellowships Program

Comments: One commenter expressed satisfaction with the changes in the context of §§ 656.21(d)–(f) and 656.22(d)–(f). Another commenter expressed the need for further clarification about what changed in this selection criterion and asked that we provide additional guidance on defining goals and plans for projects.

Discussion: As discussed in the NPRM, we are revising §§ 656.21(d)–(f) and 656.22(d)–(f) to address project planning, including a consideration of a project's intended outcomes, the alignment of project activities and intended outcomes with the purposes of the program, and the evaluation plan for the project. A project's goals and plans must align with the program purposes, but applicants will determine the goals and plans that are appropriate to their proposed projects. We will provide pre-application technical assistance to provide more detailed guidance to applicants regarding these selection criteria.

Changes: None.

Evaluation Plans for the NRC Program and the FLAS Fellowships Program

Comments: One commenter appreciated the clarity of the proposed selection criteria related to evaluation and noted the proposed approach clearly defined impact metrics. Two commenters noted that high-level outcomes cannot be effectively tracked without expensive and complex evaluation plans. One commenter lauded the perceived change from tracking individual activities to tracking high-level outcomes but noted that the impact of certain initiatives may not be fully realized within a single project period. One commenter welcomed explicit openness to non-quantitative data as a component of evaluation plans

in the proposed selection criteria. Two commenters indicated grantees already include qualitative data in evaluation plans.

Discussion: We agree that focusing on the intended outcomes of a project is likely to lead to useful evaluation plans that build evidence of project impact in a more effective manner than evaluation plans that simply track the completion of project activities. We already work with grantees during routine monitoring throughout the project period of an award to ensure that project activities are implemented. In responding to the selection criteria, applicants should articulate a proposed project's intended outcomes and how they plan to evaluate the extent to which those intended outcomes are realized by the end of the project period. We are aware that complex evaluation plans may be costly and time-consuming, but reasonable costs for evaluation activities are allowable. We expect grantees to track the attainment of goals and the realization of intended outcomes in as cost-effective manner as possible. We anticipate this approach will allow grantees to track and reflect on progress toward these goals and outcomes, even if the impact of project activities is not yet fully realized by the end of the project period. We have revised the final selection criteria addressing project planning and evaluation to clarify that they pertain to "proposed" projects and "intended" outcomes, as evaluating the actual attainment of these intended outcomes is not possible until after the project period begins.

As commenters noted, the inclusion of qualitative and quantitative data in evaluation plans is commonplace among grantees. We believe applicants should have the option to propose an evaluation plan that best aligns with a project's intended outcomes and proposed activities.

Changes: We have changed all references to "project" and "project outcomes" in the selection criteria addressing project planning and evaluation to "proposed project" and "proposed project's intended outcomes," respectively.

Competitive Preference Priorities for the NRC Program and the FLAS Fellowships Program

Comments: Two commenters provided comments about specific priorities that we have used in past competitions, but that were not in the proposed regulations.

Discussion: These comments address competitive preference priorities for the most recent NRC and FLAS competitions and go beyond the

regulations currently under consideration. However, we appreciate the comments insofar as they help inform the design of future competitions.

Changes: None.

Reporting Requirements for the NRC Program and the FLAS Fellowships Program

Comments: A commenter requested that we add a method for measuring and reporting the inclusion of diverse perspectives.

Discussion: We appreciate the commenter's recommendation, but the statute does not address reporting requirements for the NRC and FLAS Fellowships Programs related to diverse perspectives. We incorporate reporting on this topic into the routine performance reporting requirements for grantees under these programs.

Changes: None.

Cooperation Among National Resource Centers

Comments: Several commenters expressed concern about how § 656.1(a) characterized grantees under the NRC Program as a group that acts cooperatively to meet the program purposes, noting that it could be interpreted as a mandate for specific project activities. One of these commenters noted that collaboration is valuable. Another commenter noted the proposed change holds promise. One commenter noted the proposed change may have an unintended consequence of reducing collaboration between NRCs and community colleges and minority-serving institutions. The commenter also indicated that major research universities already work collaboratively with one another. Two commenters expressed support for the proposed changes and described how collaboration among current NRCs has been critical to Southeast Asian studies. One of these commenters suggested that collaboration should be a point of emphasis for the NRC Program. One commenter asked about the type of documentation that will be required to demonstrate cooperation.

Discussion: Cooperation and collaboration are vital approaches to addressing national needs for area studies and modern foreign language education in the United States. The example of Southeast Asian studies illustrates how grantees take a joint approach to addressing national needs for the purpose of leveraging scarce resources that will create additional educational opportunities for postsecondary students at multiple IHEs. Moreover, the comments present a

false dichotomy between cooperation among NRCs and between these NRCs and minority-serving institutions. In fact, some minority-serving institutions are current grantees under the NRC Program. The regulations do not require specific project activities or documentation. On the contrary, the regulations provide applicants with substantial flexibility to propose a wide range of project activities that serve the program purposes. The NRC Program provides awards to multiple IHEs that serve as national resources for area studies and modern foreign language education. A programmatic commitment to cooperation supports the program's purpose.

Changes: None.

Program Eligibility for the NRC Program

Comments: One commenter highlighted the disparities in higher education funding in the United States and suggested that NRC program funds should be directed to public university systems in cities of known disparity. The commenter also suggested considering the size of an IHE's endowment in determining program eligibility.

Discussion: The statute sets the basic eligibility criteria for this program, including that all IHEs or consortia of IHEs are eligible to apply. Furthermore, the statute specifically excludes the consideration of geographical distribution within the United States as a criterion for making awards.⁹ All awards under the NRC program are made through a determination of excellence, per statutory requirements. The final rule, particularly through the selection criteria for undergraduate NRCs, supports the creation of a diverse network of centers.

Changes: None.

Undergraduate National Resource Centers

Comments: One commenter supported the effort to highlight the differences between comprehensive and undergraduate NRCs at § 656.3(b)–(c) but contended that any change likely would not increase the diversity of the network of undergraduate NRCs. Several commenters emphasized that linking program eligibility to the Carnegie Classification of IHEs, especially through counts of degrees awarded, would be problematic for the NRC Program and that any change affecting the definition of the undergraduate NRC category potentially would eliminate several current NRCs hosted at IHEs with an R1 designation and limit the

overall diversity of institutions funded through the undergraduate NRC category by excluding universities with an R1 designation, public land grant universities, and other types of institutions. One commenter noted that the proposed regulations did not include any limit on eligibility based on the numbers of degrees awarded. One commenter noted that the proposed rule potentially would be more restrictive than the program statute if the undergraduate NRC category were limited to four-year baccalaureate colleges. The commenter also stated that large universities, especially universities with an R1 classification, have substantial institutional capacity that allows for the maximal leveraging of grant funds, even if the institutional commitment to area studies is limited to undergraduate education. One commenter offered a similar observation about the capacity of larger universities, especially those with an R1 classification. The commenter also suggested definitional criteria to identify undergraduate NRCs, such as an IHE's or academic unit's commitment to undergraduate education, degrees awarded by a particular academic unit, or the percentage of funding or teaching activity dedicated to undergraduate education. One commenter highlighted that any consideration of institutional characteristics may obscure the role played by current undergraduate NRCs as supporters of academic units that predominantly or exclusively serve large numbers of undergraduate students, despite the institution's overall level of engagement in graduate education. One commenter also described undergraduate NRCs as the foundation on which new comprehensive NRCs are built. Rather than focusing on the size of an institution or the number of degrees awarded, the commenter suggested categorizing Centers based on a proposed Center's primary student audience and considering the total number of awards an institution receives under the NRC Program as an alternative method for distinguishing comprehensive NRCs from undergraduate NRCs. Two commenters noted that counting degrees offered within a specific area studies specialty at a university is difficult because institutional categories for educational programs may not identify the entire population of students engaged in area studies, which would complicate implementing a precise requirement based on the number of degrees awarded in a single area studies specialty.

⁹ 20 U.S.C. 1127(c).

Discussion: We appreciate the commenters' variety of viewpoints on this issue. Under the regulations, the undergraduate NRC category is not based solely on the number or types of degrees awarded at an IHE. As commenters noted, in the NPRM, we stated that, in the context of proposed § 656.22(b)(1), an institution "predominantly" serves undergraduate students when baccalaureate or higher degrees represent at least 50 percent of all degrees but where fewer than 50 master's degrees or 20 doctoral degrees were awarded in the most recent year preceding the application deadline for which data is available. We are revising § 656.22(b)(1) to shift the focus from the institution's overall program offerings and mission to more simply evaluate the quality of relevant academic programs available to undergraduate students, and, accordingly, in these final regulations, we do not consider what it means to "predominantly" serve undergraduate students at the institutional level. We have revised § 656.30(b)(7) to provide that, for undergraduate Centers, project activities funded under the NRC Program must predominantly benefit the instruction and training of undergraduate students. This change aligns with the shift in focus from institutional characteristics to the proposed project and an institution's academic programs. This limitation also aligns with the selection criteria at §§ 656.22(d)(1) and 656.22(e)(2), which reference definitional criteria at § 656.3(c), as well as the statutory definitional characteristic that undergraduate centers make "training available predominantly to undergraduate students."¹⁰ Furthermore, we agree limiting eligibility for the undergraduate NRC category solely to four-year colleges would run counter to the statutory definition of undergraduate centers, which prescribes that such a center should be "an administrative unit of an IHE, including but not limited to 4-year colleges."¹¹ These changes better align the selection criteria and cost limitations with the statute. Accordingly, all IHEs in the United States that otherwise meet the general definition will remain eligible to apply under the undergraduate NRC category.¹²

We reaffirm our commitment to implement the program statute in a manner that clearly differentiates comprehensive NRCs from undergraduate NRCs based on the

definitional characteristics outlined in the statute because we share commenters' interest in ensuring the NRC Program will support "a diverse network of undergraduate" Centers and programs.¹³ Although we agree with commenters that large, research-oriented IHEs with substantial commitments to advanced graduate education may allow undergraduate NRCs to leverage grant funds in ways that are not possible at smaller institutions, comprehensive NRCs located at such universities already avail themselves of such opportunities. Moreover, this is not one of the statutory definitional characteristics of either center type and treating it as such would risk overlooking the substantial contributions that smaller institutions, such as four-year colleges, make to the national educational infrastructure in foreign language and area studies fields, while encouraging uniformity rather than diversity among applicant and grantee institutions. Consequently, the regulations recognize the distinct purposes of comprehensive NRCs and undergraduate NRCs without creating a preference for a single type of IHE.

Commenters raised the possibilities of focusing on the numbers of degrees awarded in area studies fields, the primary types of students served by a Center, or the institutional resources allocated to undergraduate education as alternatives to a narrow focus on the number of degrees across all fields and levels awarded at an institution. None of these suggestions would represent a feasible alternative that would address the statutory definitional requirements for Center types. Precisely counting the number of area studies degrees awarded by an institution, as commenters mentioned, is extremely difficult if this count spans all educational programs with relevant area studies and foreign language components rather than a more limited set of formal area studies educational programs. Given the diversity of educational programs and institutions, we would not be able to enforce a single standardized method for counting that is directly comparable across all institutions, so a numerical eligibility criterion for undergraduate centers likely would benefit institutions that implemented the most advantageous counting methodologies without further aligning centers with the statutory definitional characteristics. Likewise, determining the primary student audience for a Center or an institutional allocation of resources to undergraduate education would fail to make meaningful distinctions between

comprehensive Centers and undergraduate Centers. Both types of Centers support undergraduate education and introducing a requirement for precise calculations of resource allocations for undergraduate area studies and language education would face the same difficulties as precise degree counts. A Center as an administrative unit within an IHE cannot be neatly untangled from the rest of the institution.

Rather than introducing numerical criteria not described in the program statute, we choose to emphasize the statutory definitional criteria and the program purpose, including the statute's interest in providing grants to a diverse network of undergraduate centers. The selection criteria for undergraduate Centers in these regulations reflect this approach.

The HEA does not provide that an undergraduate Center represents a stage in a process that concludes with the establishment of a comprehensive Center. The purposes of the two Center types are sufficiently distinct that we do not presume one type of Center will evolve into the other type over time, even though the statute does not preclude it. Applicants make the final decisions about the NRC type they are applying under and their proposed project activities.

Changes: We have revised § 656.3(c)(7) to emphasize undergraduate education. We have revised § 656.22 to more clearly emphasize that undergraduate Centers should focus on undergraduate students as well as to highlight the formation of a diverse network of undergraduate Centers. We have also revised § 656.22(c) regarding library collections for undergraduate Centers and § 656.30(b)(7) to indicate that undergraduate Centers must benefit the instruction and training of undergraduate students.

Special Purpose Grants Under the NRC Program

Comments: Eight commenters approved of the clarification provided about special purpose grants in § 656.4 as well as the selection criteria developed for those grants in § 656.23. One of those commenters did express some confusion about what entities might be able to apply for these special grants. Many of the approving comments specifically mentioned that library collections and summer language institutes could benefit from such grants. One other commenter suggested defining special purpose grants in a way that addresses the need for collaborative infrastructure projects in scholarly

¹⁰ 20 U.S.C. 1132(a)(10).

¹¹ 20 U.S.C. 1132(a)(10).

¹² 20 U.S.C. 1132(a)(6).

¹³ 20 U.S.C. 1122(a)(1)(A)(ii).

communication with open access in mind. One commenter expressed concern that applying for a special purpose grant would require extra effort for an NRC grantee.

Discussion: The special purpose grants described in § 656.4 are authorized under 20 U.S.C. 1122(a)(4) as a component of the NRC Program. Accordingly, NRCs are the only eligible entities. The selection and implementation of these grants occurs independently of any awards made by parts of title 34 of the Code of Federal Regulations other than part 656. Consequently, these special purpose grants are unrelated to any forms of Federal assistance authorized under the Mutual Education and Cultural Exchange act of 1961 (Fulbright-Hays Act) or by other sections of title VI of the HEA. Selection of projects for funding as awards described in § 656.4 is separate from the selection of comprehensive and undergraduate NRCs for funding, as described at § 656.20(a). Accordingly, while applying for a special purpose grant will require extra effort for NRCs interested in applying, there is no requirement that NRCs apply and if they do so they will be applying to a separate program with its own separate application. We would expect, therefore, that NRCs would only apply to this program if the perceived potential benefits of receiving an award would outweigh the burden of completing and submitting an application.

Changes: We have changed the wording at § 656.4 to “special purpose grants,” and added the word “additional” to § 656.23, to more clearly delineate them from NRC grants.

Institutional Capacity at IHEs, Project Design, and the NRC Program

Comments: In response to the selection criteria in §§ 656.21(a)(2), 656.22(a)(2), 656.21(a)(4), and 656.22(a) relating to institutional capacity, one commenter noted that NRC leaders do not always play a role in institutional leadership. The commenter suggested that enhancing institutional capacity might be understood as allocating resources to help develop and support programming. The commenter alluded to a special role for the current NRCs in the International category as the primary agents of capacity building.

Discussion: We adopt selection criteria in order to implement a statutorily required determination of excellence. The selection criteria incorporate an evaluation of existing capacity as well as proposed project activities. The regulations define a NRC as an administrative unit with the

capacity to coordinate educational initiatives related to its area of focus. The new selection criteria addressing institutional capacity in the regulations reformulate the criteria addressing long-term impact of proposed grant activities that have been a component of the NRC Program for decades. Accordingly, the extent to which an applicant proposes to build institutional capacity that will outlast the project period is an appropriate indicator that an applicant is capable of coordinating educational initiatives and that Federal funds are being spent effectively for project activities in support of program purposes. Eliminating these criteria would not be responsive to the finding of Congress that, “Systematic efforts are necessary to enhance the capacity of IHEs in the United States for (A) producing graduates with international and foreign language expertise and knowledge; and (B) research regarding such expertise and knowledge.”¹⁴ Similarly, removing these criteria would not serve the program purposes or national needs related to expertise and knowledge in modern foreign languages, area studies, and other similar fields.

We are aware that applicants and grantees may face difficulties and challenges when building institutional capacity through their projects, but we are not convinced that doing so is impossible in the context of the NRC Program. The comments on this topic fail to account for ambitious and successful projects executed by grantees over many decades across all program categories, especially in the categories with a geographic area of focus. Grantees are highly effective in allocating funds in ways intended to contribute to long-term effects. Grantees have used grant funds to cover substantial portions of the cost associated with seeding faculty hires. Grantees have also piloted courses using grant funds to demonstrate that certain courses, especially those in the less commonly taught languages, are viable and can be sustained without grant funding or with substantially reduced amounts of grant funding. Grantees routinely support library collections development. Grantees also build sustainable outreach programs that can exist without grant funds or that can be expanded using grant funds because core elements of these efforts have been institutionalized.

In implementing these discretionary grant programs, we are adopting selection criteria that support the selection of applications for funding from applicants who are likely to have

this type of impact. The success of grantees in these initiatives may be related to the choice of project activities and the ability to align project activities with the missions of their respective institutions. The new selection criteria require the articulation of alignment among project activities, the intended outcomes of the project and the program purpose. We expect this approach will make project design more transparent and intentional by requiring applicants to explain the alignment between programming or activities and a particular purpose or goal. According to this approach, the number or variety of activities funded by a project is much less important or consequential than the contribution that each high quality and program-relevant activity is likely to make toward realizing the project’s intended outcomes.

When revising these program regulations, we must adopt a perspective that accounts for the high degree of variation among IHEs. The comment attempts to generalize a condition that only exists at IHEs that receive many concurrent awards under the NRC Program by suggesting that NRCs in the current international category are the most capable agents of capacity building, especially at institutions with many area studies centers. The NRC Program benefits from the diversity of organizational arrangements and experimentation in organizational forms at IHEs. We appreciate the cooperation among grantees implied in this statement, but the precise nature of the relationships among administrative units within an institution is determined by many contingent organizational factors that are not components of the NRC Program. In addition, if a proposed project primarily exists to coordinate other proposed projects from area studies centers, the project may struggle at the implementation phase if the area studies centers are not also funded and thus unable to contribute project resources. Moreover, although grantee institutions may develop hierarchical organizational structures to administer area and international studies centers, nothing in the program statute requires or implies a fixed hierarchy among Centers across the program’s administrative world area categories. Institutional circumstances give rise to a variety of arrangements, and grantees thrive in many different environments.

The comments point to the need to reevaluate the terminology in §§ 656.21(d)(3) and 656.22(d)(3) as well as in selection criteria that address project outcomes. The final regulations incorporate a broader interest in both

¹⁴ 20 U.S.C. 1121(a)(4).

academic and institutional capacity. We decline to define these terms in these regulations, but we generally interpret academic and institutional capacity as the human, organizational, material, and intellectual resources that enable teaching, research, and the dissemination of knowledge related to area studies and international studies. We expect grantees' efforts to build academic or institutional capacity that will strengthen the educational infrastructure in their respective areas of focus.

Changes: We have added the phrase "academic and/or" before the word "institutional" in §§ 656.21(d)(3), 656.22(d)(3), and 656.23(a)(4).

Financial Support and Staff for the NRC Program

Comments: Two commenters stated that a selection criterion addressing support for a center as administrative unit would elicit a response different from a criterion that addressed all support at an institution, leading to a concern that an institution would appear to lack sufficient support. These two commenters expressed confusion about the change to §§ 656.21 (a)(2) and 656.22 (a)(2) since the existing regulations already ask for qualifications of Center staff. One of those commenters, however, went on to object to the proposed regulations' limitation of these selection criteria to Center staff. One of these commenters also noted the proposed approach would eliminate consideration of personnel qualifications of individuals apart from the project director and Center staff from the selection process. One commenter noted that differentiating support for a Center's project from more general support for a Center may be difficult and requested a specific definition of "institutional support." One commenter welcomed this change in focus and noted that the reduced scope may lead to a reduction in burden hours associated with the application. Three commenters strongly objected to the proposed change since the commenters' institutions rely on teaching faculty and staff to run their Centers' projects. These commenters were concerned that limiting these selection criteria to the qualifications of Center staff would restrict consideration of faculty qualifications, leading to the failure to receive title VI funding. One commenter suggested that personnel qualifications have subgroupings of university administration, Center administration, Center staff, and Center faculty and lecturers. One commenter expressed approval of the changes to §§ 656.21 (a)(2) and 656.22 (a)(2).

Discussion: These selection criteria address the administrative capacity of the administrative unit on campus responsible for implementation of the grant project. Transparency about the resources available to that unit is important because these resources provide indicators of excellence and support responsible stewardship of Federal funds during project implementation. At a minimum, we expect all grantees to be capable of administering Federal funds, overseeing the implementation of project activities, and meeting all reporting obligations. Although applicants may discuss units and arrangements that support the administrative unit's capacity to administer the grant, a wide-ranging discussion of all resources relevant to an applicant's area of focus is unnecessary because other selection criteria address specific types of support in relation to instruction, research, libraries, and outreach. Likewise, other selection criteria allow an evaluation of the qualifications of specific types of personnel, such as faculty, in an appropriate context. The selection criteria allow for an evaluation of the administrative capacity of a proposed NRC as well as of an evaluation of other personnel and resources in a manner that does not conflate the two. The presence of highly qualified faculty at an institution may support significant research and effective instruction without directly contributing to project administration. Similarly, a project is unlikely to be successful if several highly qualified individuals are not directly engaged in project administration. All these elements are present in the selection criteria. We do not see the need to define "institutional support." However, we are persuaded to revise the selection criteria to adequately account for the full range of personnel directly involved in project implementation, including faculty who administer project activities.

Changes: We have revised §§ 656.21(a)(2) and 656.22(a)(2) to include "other staff, including relevant staff and faculty" who "administer the proposed Center and oversee the implementation of project activities."

Outreach at National Level for the NRC Program

Comments: In response to the selection criteria at §§ 656.21(c) and 656.22(c), two commenters suggested allowing NRC grantees to determine national initiatives after the grant is awarded.

Discussion: Plans for outreach activities must be devised as part of the application process so that expert

reviewers can review, assess, and score those plans. This means any planning for outreach activities with national impact must be devised prior to award.

Changes: None.

Allowable Costs for the NRC Program

Comments: Several commenters expressed concern at the proposed cost limitations in § 656.30(5) for the NRC Program related to personnel costs because personnel who are not involved in the instruction of Less Commonly Taught Languages may be an important component of implementing proposed projects. Two commenters specifically addressed the limitation on compensation for project directors.

Discussion: We acknowledge that project personnel serve in many different roles to support the successful implementation of projects funded under the NRC Program. Personnel such as educational outreach specialists make critical contributions to these projects, and many activities simply would not be possible or implemented as successfully without such skilled individuals. The regulations strike a balance between ensuring institutions' commitment to the project and providing applicants with the flexibility necessary to propose high-quality projects that address needs in area studies and modern foreign language education.

The addition of a limitation on compensation for individuals who are not engaged in the instruction of Less Commonly Taught Languages supports this aim. Although funds from a single award may not cover the cost of more than 50 percent of the compensation, including fringe benefits, for such an individual, multiple awards may fund such personnel up to 100 percent of actual compensation costs, even though no one award may go above this limit.

The project director is the individual identified as the "project director" or "recipient project director" on the grant award notice (GAN) because they have sufficient authority and overall responsibility for implementing a project selected for funding on behalf of an IHE. Some grantees may refer to this role as a "principal investigator" for administrative purposes. The project director is considered key personnel. Project directors typically serve as the director of an administrative unit and are faculty at the grantee institution. Because these individuals frequently fill administrative roles at their institutions and receive compensation for that role, the cost limitation on compensation for project directors supports the NRC Program's goal of supplementing rather than supplanting grant funds. Project

directors usually are experts in one or more aspects of area studies and modern foreign language education, and the person initially identified as the project director might change during the project period because these roles tend to be associated with an individual's role within an institution. For example, an individual responsible for implementing a specific project activity based on their expertise may serve as the project director for a portion of the project period, even if they were not initially identified as the project director in the NRC application. Accordingly, project directors should not be prevented from receiving other allowable, reasonable, and allocable payments related to the implementation of activities described in an application selected for funding under the NRC Program.

In reconsidering allowable personnel costs, the Department further reviewed allowable costs and cost limitations for the program more generally. In addition to Center personnel, faculty, and other university staff, we determined that alumni also may contribute to project implementation and a Center's effort to evaluate the quality of project implementation. Accordingly, we added alumni to the list of appropriate objects of linkages explicitly authorized by § 656.30(a)(8). We also made additional technical changes to update terminology related to approvals and add clarity. These technical changes will support efficient program implementation.

Changes: We added alumni to § 656.30(a)(8). We removed the words "are pre-approved" and replaced them with "have received prior approval" at § 656.30(b)(2). We combined proposed § 656.30(b)(4) with proposed § 656.30(b)(5) and expanded the discussion to clarify limitations on personnel costs. We renumbered the remaining elements in § 656.30(b). We removed "pre-approval" from what is now § 656.30(b)(5) and replaced it with "prior approval."

Educational Program Fellow Eligibility Criterion for the FLAS Fellowships Program

Comments: One commenter welcomed the attention to a fellow's educational program and the encouragement to develop formal curricular options in area studies and modern foreign language instruction at § 657.4. Six commenters expressed concern that many educational programs, especially programs in professional and STEM fields, do not have explicit requirements for language instruction, so the number of eligible students in these programs potentially would decrease. Two commenters noted

the specific difficulty of integrating language or area studies instruction into STEM programs, but one commenter indicated that such integration may be possible within a decade. One commenter suggested rewording the criterion to allow for the option for instruction or research in area studies, specifically to maximize the potential eligibility of students in STEM fields. One commenter suggested limiting the criterion to academic year fellowships. One commenter expressed a general concern that the criterion would be problematic for students with financial need and students from underrepresented groups.

Discussion: We appreciate commenters' analysis and suggestions related to the educational program eligibility criterion for the FLAS Fellowships Program. We acknowledge that any change to the fellow eligibility criteria for the program may change the composition of fellowship recipients. As discussed in the NPRM, we maintain that a holistic emphasis on educational programs rather than solely focusing on individual courses during a specific academic term is more likely than other approaches to ensure that fellowships are supporting the structured and intentional training of experts within appropriate curricular frameworks. Such a reliance on educational programs fits broadly within the accreditation framework for IHEs and ensures that IHEs maintain control over instructional content and curriculum. However, we acknowledge the concerns raised by commenters that students in STEM and professional educational programs with a substantial commitment to area or international studies may be unable to satisfy fellowship eligibility criteria because of the highly structured nature of these programs. Accordingly, the final regulations balance the program's purpose to cultivate expertise through advanced training in area and international studies with an interest in cultivating diverse types of expertise across a wide variety of academic specializations that promote national security and prosperity.

We accept the commenter's suggestion to limit the application of an educational program eligibility criterion to fellows receiving academic year fellowships. The FLAS Fellowships program has long operated under the assumption that academic year fellowships and summer fellowships serve distinct purposes. The academic year fellowships have required and continue to require that fellows enroll in both area studies courses and modern foreign language courses while they

pursue their degrees. The academic year fellowships also provide limited support for dissertation research and writing. By contrast, summer fellowships have been and remain more narrowly focused exclusively on the intensive study of a foreign language. The latter category of fellowships frequently supports fellows to study at overseas language programs or at domestic summer language institutes, both of which represent vital components of area studies and foreign language education infrastructure. Because most educational programs at IHEs do not include mandatory summer coursework, intensive summer language study is a viable mechanism for students in any field of study to increase their proficiency in a foreign language without delaying timely progress toward degree completion. This approach ensures that many qualified students across a multitude of IHEs will be eligible for summer fellowships.

In general, we regard a student's educational program to encompass all formal curricular options available to a student at a given IHE. The nomenclature for these curricular options varies by institution. Such curricular options include, but are not limited to, major fields of study, general education requirements as well as any certificates, concentrations, specializations, minor fields of study, or other established components of an institution's curriculum. The common feature of these curricular options is that they represent a recognized and structured course of study for a student. In most cases, academic advisors, faculty, or some combination of both are knowledgeable about these options and, because these curricular options are a formal component of an institution's curriculum, institutions have demonstrated to accreditors that sufficient educational infrastructure exists to support these programs. This approach is quite flexible and recognizes that many students with a deep commitment to area studies and modern foreign language expertise do not enroll in a major field of study formally described as area studies or offered by a standalone interdisciplinary area studies department.

Under § 657.4(f), several educational program scenarios would meet the eligibility requirements for an academic year fellowship, such as an undergraduate pursuing a major in international studies that ordinarily allows a student to take courses in a regional specialization and a foreign language would be eligible. Likewise, an undergraduate student double majoring in computer science and history with a

minor in Chinese or any modern foreign language would be eligible if the history major ordinarily includes courses on internationally oriented topics. An undergraduate with general education requirements for foreign language courses and courses on global topics would be eligible. A doctoral student in a political science department pursuing a concentration in an internationally oriented field such as international relations or comparative politics would be eligible, provided that the degree also ordinarily includes an expectation of proficiency in one or more foreign languages. A master's student pursuing a specialty in global public health and a graduate certificate in African studies that incorporates a language course requirement likewise would be eligible for an academic year fellowship. These examples are not an exhaustive list of all eligible educational programs, but these examples are illustrative of the general principle that are codified with the criterion. The core expectation is that the student has selected one or a combination of curricular options that, when considered in their totality, requires or ordinarily includes coursework in area studies or international studies as well as a modern foreign language component. Academic year fellows must satisfy the educational program eligibility criterion during the fellowship term, so a student who aspires or plans to pursue a suitable educational program generally without completing the process determined by their IHE to declare, select, or otherwise formally indicate their intention to complete an appropriate educational program generally would not be eligible to receive a fellowship.

This curriculum-based approach to the educational program eligibility criterion aligns fellowship support with a fellow's overall academic trajectory. Although interdisciplinary area studies programs are likely to meet this expectation, such programs are not the only pathway to satisfying the educational program eligibility criterion. The selection criterion in § 657.21(b)(1) requires applicants to explain the extent to which the applicant's curriculum provides training options for students from a variety of disciplines and professional fields, and the extent to which the curriculum and associated requirements (including language requirements) are appropriate for the applicant's area of focus and result in educational programs of high quality for students who will be served by the proposed allocation of fellowships. We encourage applicants to

address this selection criterion with the educational program eligibility criterion in mind because applicants may describe relevant educational programs that are not formal area studies programs when addressing this selection criterion.

Despite the substantial flexibility incorporated into the educational program eligibility criterion, we acknowledge that students specializing in STEM or professional fields are likely to face an acute lack of eligible educational programs, especially at the graduate level, and that the creation of such programs can only be accomplished through substantial and sustained effort over an extended period of time. Consequently, we have revised the criterion to incorporate an alternative approach to the educational program requirement for students in educational programs that include substantial amounts of coursework in STEM or professional fields. The revised approach allows students who meet this description to demonstrate fellowship eligibility by showing they have the option to take required area studies and modern foreign language courses required by the fellowship and by selecting these courses under the advisement of one or more individuals with appropriate area studies qualifications and knowledge of the student's educational program. In the absence of a formal curricular option, this advising requirement ensures the fellow's courses are chosen with a degree of intentionality and in support of the student's academic trajectory. For the purposes of interpreting this eligibility criterion, we generally would regard professional fields as those involving specialized training that typically involve educational programs leading to professional degrees and/or licensure prior to beginning professional practice. These fields include, but are not limited to, law, medicine, education, and dentistry.

This ad hoc approach may prove less necessary in the future when appropriate formal curricular options become available because students specializing in these fields will be best served when they have routine access to suitable instruction and training through formal curricular options. Formal curricular options not only indicate an intentional academic and intellectual commitment to students, but these formal curricular options also are potential ways to reduce or eliminate administrative barriers that prevent students from accessing suitable training and instruction, such as different tuition rates within an institution or incompatible procedures

for course registration. The revised approach is not intended to imply that any preference or special benefit is afforded to students in professional or STEM fields. Rather, this criterion is intended to support the overall purpose of the FLAS Fellowships Program, which is to support the development of experts through advanced training in modern foreign languages as well as area studies or the international aspects of other fields.

We distribute a limited amount of funding under the NRC Program and the FLAS Fellowships Program on the basis of excellence to stimulate activities that align with the purposes of these programs. Foreign language and area studies curricula are a reasonable component of this determination and for subsequent determinations of the eligibility of FLAS fellows. The program's commitment to interdisciplinarity necessarily includes support for innovative interdisciplinary curricula that integrate these types of expertise with professional and STEM fields. Additionally, achieving this form of interdisciplinarity may be achieved from more than one direction and more than one pathway. In addition to expanding the representation of international and foreign language education within STEM and professional programs, programs with a firm grounding in international and foreign language education may innovate by integrating appropriate elements of STEM and professional fields.

Education also extends beyond a single degree at a single IHE. Given the lifelong nature of learning, FLAS fellows may pursue multiple degrees or postsecondary education credentials, for example, an undergraduate who majors in international studies will continue to benefit from expertise in international topics and languages if that same undergraduate enrolls in a graduate program in a STEM or professional field. The FLAS Fellowships Program is not the only program that supports the intersection of STEM education, professional education, and international and foreign language education. Section 656.30(a)(10) specifically allows NRCs to engage in activities intended to increase modern foreign language proficiency among students in the STEM fields. IHEs may propose complementary projects that address the approaches and issues discussed above.

Changes: We revised the introductory paragraph of § 657.4 to indicate that the educational program requirement applies only to academic year FLAS fellows. Paragraph (c) of proposed

§ 657.4 has been moved and redesignated as paragraph (f) in the final regulations. This paragraph has been revised to clarify the general applicability of the educational program criterion and expanded to include § 657.4(f)(2), which addresses the educational program eligibility criterion that applies to certain students in STEM and professional fields. In addition, paragraphs (d)–(f) of proposed § 657.4 have been redesignated as paragraphs (c)–(e).

Fellowship Payments Under the FLAS Fellowships Program

Comments: We received 33 comments that expressed criticism of the proposed change to a single stipend payment rather than a stipend payment and an institutional payment for FLAS fellowships. The criticism focused on tax implications for students, complications with Federal student aid, the potential loss of health insurance currently provided by some institutions, higher tuition costs, and other unintended consequences. Numerous commenters expressed concern that limiting FLAS to a stipend payment would increase the tax burden of students because a higher stipend would increase taxable income for students receiving FLAS fellowships. Some commenters indicated that a large stipend would complicate Federal student aid calculations, perhaps even leading FLAS students to max out their stipend allowance since some institutions place a limit on how much funding one student can receive in any given year. Other commenters expressed concern that at their institutions, issuing the fellowship using a stipend-only approach would make FLAS students ineligible for “fellow” status, which would have implications for tuition remission and health insurance provision at their institutions. One commenter also said that their institution includes fringe benefits as a component of the FLAS fellowship and the stipend-only approach would alter the status of FLAS fellows thereby complicating the administration of the fellowship. Given that the aim of using a stipend-only approach is to simplify FLAS administration, this commenter made the point that we are replacing complexity with a different form of complexity. Overall, commenters on this topic, all of whom indicated that they currently administer allocations of FLAS fellowships, appear to agree that the current approach to administering allocations of FLAS fellowships with separate stipend and institutional payments is likely to be easier and more

beneficial to FLAS fellows than the changes proposed in the NPRM.

Discussion: We proposed a stipend-only approach, in part, in an attempt to lighten the burden of administering FLAS grants at grantee institutions. We also wanted to provide FLAS fellows with more control over the funding they receive in the belief that it would provide flexibility while extending the reach of their funding. The comments we received allay the concerns we had. The commenters assured us that FLAS administration is not too burdensome and that instituting a stipend-only payment is likely to cause unintended consequences that will not benefit FLAS fellows. The commenters also alerted us to other fees and expenses fellows have, including, but not limited to, health insurance premiums. Given the continued use of the institutional payment, we clarify the allowable costs for the institutional payment component of the fellowship in the final regulations. We also clarified how these payments interact with other Federal fellowships and added a disclosure requirement when a fellow receives multiple Federal fellowships to reduce the likelihood that an improper payment will be made. A FLAS fellow generally may receive the full amount of multiple stipend payments, provided the fellowships support distinct program purposes. However, the amount of a fellow’s institutional payment under the FLAS Fellowships Program cannot exceed actual costs related to the fellow’s cost of attendance. Moreover, certain allowances permissible under the FLAS Fellowships Program, such as dependent allowances, may be disallowed for an individual fellow if such a payment would be duplicative of a component of another Federal award.

Changes: We have reverted to the two-payment system that the previous regulations used (see § 657.5). We have expanded the definition of “institutional payment” at § 657.7(b) to align the components of the payment with fees students are typically expected to pay as students of the institution they attend. We have included a definition of “travel allowance” as well at § 657.7(b), which provides more detail and clarity as to what FLAS travel allowances may cover. We have clarified the applicability of the various fellowship payments and the notices announcing the permissibility and amounts of these payments in § 657.5(c)–(d). We have added a disclosure requirement and further clarification related to multiple Federal fellowships at § 657.30(g).

Advising for Fellows in the FLAS Fellowships Program

Comments: Three commenters indicated providing academic or career advising specifically for FLAS fellows would violate principles of equity by establishing a separate standard for fellows. One of these commenters suggested an alternative formulation for § 657.21(c)(2), which would evaluate: “engaged academic and career advising that is responsive to individual fellow’s strengths and experiences.”

Discussion: We do not agree that an expectation for advising would further distinguish a group of program beneficiaries under the FLAS Fellowships Program who have been selected to receive fellowships. IHEs that receive an allocation of fellowships and personnel responsible for administering FLAS fellowships at these IHEs must ensure that fellows meet fellowship requirements. This obligation necessarily entails providing relevant information to fellows and, to the extent possible, ensuring fellows have access to the necessary forms of advising because fellows have obligations that typically are distinct from the obligations common to all students at an institution. The proposed selection criterion at § 657.21(c)(2), potentially extended the scope of advising issues related to compliance and safety, which are directly related to program implementation. The final selection criterion is more narrowly focused, but it does not preclude applicants from discussing all forms of advising available to fellows, including career advising.

Changes: “Career” has been removed from § 657.21(c)(2) and replaced with “other relevant” forms of advising that address “compliance with fellowship requirements.” In addition, the other forms of advising now include, “and, as appropriate, safety while studying outside the United States.”

Research and Study Abroad in the FLAS Fellowships Program

Comments: One commenter expressed satisfaction with the new language at § 657.21(c)(4) clarifying the study abroad component of the Quality of Faculty and Academic Resources selection criterion for the FLAS Fellowships Program. The commenter believed it is important for FLAS to support advanced language study abroad.

Discussion: We included this selection criterion because it is an important component of program design and supports the selection of applications for funding on the

statutorily required basis of excellence. FLAS fellows benefit greatly from access to opportunities to language instruction and research opportunities in the United States as well as outside the United States.

Changes: None.

Role of Distance Education in the FLAS Fellowships Program

Comments: Three comments expressed support for the proposed inclusion of distance education as a means for fellows to satisfy course requirements for the FLAS Fellowships Program. One of these comments specifically indicated that distance education enhances access to courses at the national level.

Discussion: We appreciate the support from commenters. Distance education may prove vital to expanding access to high quality instruction, especially in the Less Commonly Taught Languages.

Changes: None.

Role of Internships in the FLAS Fellowships Program

Comments: One commenter expressed support for the allowability of internships for FLAS fellows.

Discussion: Internships may help fellows achieve their educational and professional goals. However, as specified in the regulations, coursework or dissertation research remain the primary means for fellows to satisfy program requirements for the FLAS Fellowships Program. Nevertheless, we encourage fellows to engage in experiential learning opportunities that utilize their modern foreign language and area studies expertise.

Changes: None.

Transfers of Funds Among Grantees Under the FLAS Fellowships Program

Comments: One commenter thought grantees should be allowed to transfer excess FLAS balances to other grantee IHEs that have received an allocation of fellowships. The commenter argued that this would enable collaboration as well as increase efficiency and flexibility in the FLAS Fellowships Program.

Discussion: Under 2 CFR 200.308(c), grantees may not make changes to project scope and project objectives without prior Department approval. When an applicant institution submits its FLAS Fellowships Program application for an allocation of fellowships, it is requesting FLAS fellowships explicitly to serve eligible students at the applicant institution. In the case of an allocation of fellowships for Middle East studies, for example, the applicant institution commits to supporting students at that institution

studying specific languages in the Middle East world area and related area studies training. If the applicant institution receives the grant supporting students studying the approved languages of the Middle East at that institution, that defines the scope of the project. Transferring excess funds from one FLAS grantee to another FLAS grantee would transfer funds to a project with a different scope, effectively changing the scope of the initial project.

Changes: None.

Clock Hour

Comments: None.

Discussion: In proposed § 655.4, we defined “clock hour” for the purpose of part 655 and the International Education Programs, but we continued to use “contact hour” rather than “clock hour” in the proposed definition of “intensive language instruction” and in the NRC Program priority related to the intensity of language instruction in proposed § 656.24(a)(3).

Changes: We have revised §§ 655.4(b) and 656.24(a)(3) to substitute “clock hour” for “contact hour” in the definition of “intensive language instruction” and in a possible priority for the NRC Program, respectively.

Institutional Responsibilities Under the FLAS Fellowships Program

Comments: None.

Discussion: We believe it would be helpful to provide institutions receiving allocations of fellowships under part 657 a single, streamlined reference to their responsibilities under this part. Accordingly, we are adding § 657.34 to assist grantees by providing a consolidated reference point of the post-award responsibilities that attach to an institution receiving funding under this part. This administrative addition does not add or alter any substantive responsibilities of institutions receiving funding under part 657.

Changes: The Department has added § 657.34 to clarify and contain a single reference to the post-award responsibilities of an institution receiving funding under this part with respect to the administration of fellowship awards.

Good Academic Standing for FLAS Fellows

Comments: None.

Discussion: Both the original and proposed regulations utilized the term “good standing” in the regulations for the FLAS Fellowships Program. This term may be unnecessarily ambiguous without additional explanatory statements. We are clarifying the regulations to specify that our interest is

in academic standing rather than any other types of standing. This term is widely used by IHEs and the precise meaning of the term follows the institutional policies at each IHE that receives an allocation of fellowships.

Changes: The term “academic” was inserted between “good” and “standing” in § 657.31(c).

Stakeholder Engagement

Comments: One commenter, who submitted a comment on behalf of multiple associations, suggested a 30-day window for public comments may reduce the number of comments submitted. The commenter expressed a hope that we will take comments seriously despite the short comment period.

Discussion: We have received numerous comments on the proposed regulations, including the commenter’s comment. We assure the commenter that we have taken all comments seriously, including this one.

Changes: None.

Executive Orders 12866, 13563, and 14094

Regulatory Impact Analysis

Under Executive Order (E.O.) 12866, the Secretary must determine whether this regulatory action is “significant” and, therefore, subject to the requirements of the E.O. and subject to review by the Office of Management and Budget (OMB). Section 3(f) of E.O. 12866, as amended by E.O. 14094, defines a “significant regulatory action” as an action likely to result in a rule that may—

(1) Have an annual effect on the economy of \$200 million or more (adjusted every three years by the Administrator of the Office of Information and Regulatory Affairs (OIRA) for changes in gross domestic product); or adversely affect in a material way the economy, a sector of the economy, productivity, competition, jobs, the environment, public health or safety, or state, local, territorial, or Tribal governments or communities;

(2) Create a serious inconsistency or otherwise interfere with an action taken or planned by another agency;

(3) Materially alter the budgetary impacts of entitlements, grants, user fees, or loan programs or the rights and obligations of recipients thereof; or

(4) Raise legal or policy issues for which centralized review would meaningfully further the President’s priorities or the principles stated in the Executive order, as specifically authorized in a timely manner by the Administrator of OIRA in each case.

This final regulatory action is not a significant regulatory action subject to review by OMB under section 3(f) of Executive Order 12866 (as amended by E.O. 14094).

We have also reviewed these regulations under E.O. 13563, which supplements and explicitly reaffirms the principles, structures, and definitions governing regulatory review established in E.O. 12866. To the extent permitted by law, E.O. 13563 requires that an agency—

(1) Propose or adopt regulations only upon a reasoned determination that their benefits justify their costs (recognizing that some benefits and costs are difficult to quantify);

(2) Tailor its regulations to impose the least burden on society, consistent with obtaining regulatory objectives and taking into account, among other things, and to the extent practicable, the costs of cumulative regulations;

(3) In choosing among alternative regulatory approaches, select those approaches that maximize net benefits (including potential economic, environmental, public health and safety, and other advantages; distributive impacts; and equity);

(4) To the extent feasible, specify performance objectives, rather than the behavior or manner of compliance a regulated entity must adopt; and

(5) Identify and assess available alternatives to direct regulation, including economic incentives—such as user fees or marketable permits—to encourage the desired behavior, or providing information that enables the public to make choices.

E.O. 13563 also requires an agency “to use the best available techniques to quantify anticipated present and future benefits and costs as accurately as possible.” OMB’s OIRA has emphasized that these techniques may include “identifying changing future compliance costs that might result from technological innovation or anticipated behavioral changes.”

The Department has assessed the potential costs and benefits, both quantitative and qualitative, of this regulatory action, and we are issuing these final regulations only on a reasoned determination that their benefits justify their costs. In choosing among alternative regulatory approaches, we selected those approaches that would maximize net benefits. Based on the analysis that follows and the reasons stated elsewhere in this document, the Department believes that the final regulations are consistent with the principles in E.O. 13563.

We also have determined that this regulatory action does not unduly interfere with State, local, territorial, or Tribal governments in the exercise of their governmental functions.

In this regulatory impact analysis, we discuss the need for regulatory action, the potential costs and benefits, and net budget impacts.

Discussion of Costs and Benefits

The potential costs to applicants, grant recipients, and the Department associated with the final regulations will be minimal, while there will be greater potential benefits to applicants, grant recipients, and the Department. We anticipate a minimal increase in NRC Program and FLAS Fellowships Program applications due to the revision of the selection criteria, so we foresee minimal impact on the Department’s time and cost of reviewing these applications.

Over the last four years, the amount of funding for the NRC Program has ranged from approximately \$23.7 to \$29.3 million per year with 155 eligible grant applications received and reviewed in the most recent competition. Of these applicants, 98 received grant awards in fiscal year 2022, and an additional 15 of these applicants ultimately received grant awards through funding down the slate in fiscal year 2023. Over the same period, the amount of funding for the FLAS Fellowships Program has remained stable at approximately \$31.2 million per year, with 160 eligible grant applications received and reviewed in the most recent competition. We awarded grants to 112 of these applications in fiscal year 2022.

The number of applications for both programs has remained relatively steady across recent competitions, but the number of grant awards for the NRC Program has increased slightly after funding down the slate. The Department expects the number of applications and grant awards to remain relatively the same in future years.

The changes to the selection criteria require the Department to develop new technical review forms. These regulations also require the Department to update program guidance and technical assistance materials for applicants, peer reviewers, and grant recipients. The Department anticipates the costs associated with these activities to be minimal, because we already engage in an ongoing process to revise, update, and improve these materials for each competition for these programs.

Similarly, these changes to the selection criteria have no effect on current grant recipients under both

programs. The Department also believes these changes will have little net effect on applicants. Applicants already develop new applications for each competition in response to a notice inviting applications that may contain new competitive preference priorities or a new allocation of points for the existing selection criteria. The revised selection criteria refer to similar types of data as the current selection criteria.

The Department foresees that the costs for applicants and grant recipients that result from the proposed changes to the selection criteria will be minimal.

The Department foresees that current grant recipients under the FLAS Fellowships Program may incur minor costs associated with program administration due to the revised program regulations. Although the regulations do not make any major changes to the FLAS Fellowships Program, grant recipients will need to familiarize themselves with the new regulations and update any references to the regulations that appear in their documents developed to assist program administration, especially in documents distributed to students and current and prospective fellows. The cumulative net impact of the revised fellow eligibility criteria and the revised program selection criteria are expected to have minimal impact on the number of applications that recipient IHEs will need to process. The Department expects the anticipated costs of the new disclosure requirement for fellows who receive multiple Federal fellowships to be minimal. This situation is uncommon and IHEs will implement disclosure processes responsive to local conditions and practices.

The benefits of amending these regulations include (1) clarifying statutory language, (2) redesigning the selection criteria to reduce redundancy to improve the application process, and (3) updating the current regulations to reflect current practices in program administration and relevant fields of education. We anticipate that the clarifications, reductions to the number of selection criteria, and adjustments to project administration requirements will reduce the burden on applicants and grant recipients for both the NRC Program and FLAS Fellowships Program.

Alternatives Considered

The Department reviewed and assessed various alternatives to the proposed regulations. The Department considered maintaining current regulations and developing additional technical assistance and guidance to address emerging topics in modern

foreign language and area studies education, especially distance education. The Department also considered developing extensive new technical assistance and guidance to explain the differences that exist among similar sections of the regulations for both programs. The Department determined that revising the regulations was the most efficient option to decrease administrative burden and ensure that the programs fulfill their statutory purposes.

Elsewhere in this section under *Paperwork Reduction Act of 1995*, we identify and explain burdens specifically associated with information collection requirements.

Regulatory Flexibility Act Certification

The Secretary certifies that the final regulations will not have a significant economic impact on a substantial number of small entities. The small

entities that would be affected by the proposed regulations are IHEs that would submit applications to the Department under this program.

The Small Business Administration (SBA) defines “small institution” using data on revenue, market dominance, tax filing status, governing body, and population. The majority of entities to which the Office of Postsecondary Education’s (OPE) regulations apply are postsecondary institutions, however, which do not report such data to the Department. As a result, for purposes of these final regulations, the Department continues to define “small entities” by reference to enrollment, to allow meaningful comparison of regulatory impact across all types of higher education institutions. The enrollment standard for small less-than-two-year institutions (below associate degrees) is less than 750 full-time-equivalent (FTE)

students and for small institutions of at least two but less-than-4-years, and 4-year institutions, less than 1,000 FTE students.¹⁵ As a result of discussions with the SBA, this is an update from the standard used in some prior rules. Those prior rules applied an enrollment standard for a small two-year institution of less than 500 full-time-equivalent (FTE) students and for a small 4-year institution, less than 1,000 FTE students.¹⁶ The Department consulted with the Office of Advocacy for the SBA and the Office of Advocacy has approved the revised alternative standard. The Department continues to believe this approach most accurately reflects a common basis for determining size categories that is linked to the provision of educational services and that it captures a similar universe of small entities as the SBA’s revenue standard.

TABLE 1—SMALL INSTITUTIONS UNDER ENROLLMENT-BASED DEFINITION

| Level | Type | Small | Total | Percent |
|--------|-------------|-------|-------|---------|
| 2-year | Public | 328 | 1,182 | 27.75 |
| 2-year | Private | 182 | 199 | 91.46 |
| 2-year | Proprietary | 1,777 | 1,952 | 91.03 |
| 4-year | Public | 56 | 747 | 7.50 |
| 4-year | Private | 789 | 1,602 | 49.25 |
| 4-year | Proprietary | 249 | 331 | 75.23 |
| Total | | 3,381 | 6,013 | 56.23 |

Source: 2018–19 data reported to the Department.

As the table indicates, these final regulations will affect IHEs that meet the definition of small entities. They will not have a significant economic impact on these entities, however, because they will not impose excessive regulatory burdens or require unnecessary Federal supervision. The final regulations impose minimal requirements to ensure the proper expenditure of program funds.

Paperwork Reduction Act of 1995

As part of its continuing effort to reduce paperwork and respondent burden, the Department provides the general public and Federal agencies with an opportunity to comment on proposed and continuing collections of information in accordance with the *Paperwork Reduction Act of 1995* (PRA)

(44 U.S.C. 3506(c)(2)(A)). This helps ensure that the public understands the Department’s collection instructions, respondents can provide the requested data in the desired format, reporting burden (time and financial resources) is minimized, collection instruments are clearly understood, and the Department can properly assess the impact of collection requirements on respondents.

Sections 656.21, 656.22, 656.23, and 657.21 of the regulations contain information collection requirements. Under the PRA, the Department has submitted a copy of these sections to OMB for its review. A Federal agency may not conduct or sponsor a collection of information unless OMB approves the collection under the PRA and the corresponding information collection instrument displays a currently valid

OMB control number. Notwithstanding any other provision of law, no person is required to comply with, or is subject to penalty for failure to comply with, a collection of information if the collection instrument does not display a currently valid OMB control number. In these final regulations, we provide the control number assigned by OMB to any information collection requirements proposed in this NPRM and adopted in the final regulations.

The information collection that is impacted by these regulatory changes is the current Application for the NRC and FLAS Fellowships Programs (1840–0807). This information collection includes application instructions and forms for the NRC Program (ALN Number 84.015A) and the FLAS Fellowships Program (ALN Number

¹⁵ In regulations prior to 2016, the Department categorized small businesses based on tax status. Those regulations defined “nonprofit organizations” as “small organizations” if they were independently owned and operated and not dominant in their field of operation, or as “small entities” if they were institutions controlled by governmental entities with populations below 50,000. Those definitions resulted in the

categorization of all private nonprofit organizations as small and no public institutions as small. Under the previous definition, proprietary institutions were considered small if they are independently owned and operated and not dominant in their field of operation with total annual revenue below \$7,000,000. Using FY 2017 IPEDs finance data for proprietary institutions, 50 percent of 4-year and 90 percent of 2-year or less proprietary institutions

would be considered small. By contrast, an enrollment-based definition applies the same metric to all types of institutions, allowing consistent comparison across all types.

¹⁶ In those prior rules, at least two but less-than-four-years institutions were considered in the broader two-year category. In this iteration, after consulting with the Office of Advocacy for the SBA, we separate this group into its own category.

84.015B), authorized under title VI of the Higher Education Act of 1965, as amended (20 U.S.C. 1122).

The NRC Program provides grants to IHEs or consortia of IHEs to establish, strengthen, and operate comprehensive and undergraduate foreign language and area or international studies centers. These centers serve as centers of excellence for world language training and teaching, research, and instruction in fields needed to provide full understanding of areas, regions, or countries where the languages are commonly used. The FLAS Fellowships Program awards allocations of fellowships, through IHEs or consortia of IHEs, to meritorious students enrolled in programs that offer instruction in world languages in combination with area studies, international studies, or the international aspects of professional studies.

Together, these programs respond to the ongoing national need for individuals with expertise and competence in world languages and area or international studies; advance national security by developing a pipeline of highly proficient linguists and experts in critical world regions; and contribute to developing a globally competent workforce able to engage with a multilingual/multicultural clientele at home and abroad.

Eligible IHEs use the information collection to submit applications to the Department to request funding in response to the competition announcement. After grant applications are submitted, the Department determines the budget and staff resources it needs to conduct the peer review of applications and post award activities. External review panels use the information to evaluate grant applications and to identify high-quality applications. When developing funding slates, Department program officials consider the evaluations from the expert review panels, in conjunction with the NRC and FLAS legislative purposes and any Administration priorities. Department program officials also use the collection to inform strategic planning; to establish goals, performance measures and objectives; to develop monitoring plans; or to align program assessment standards with Department performance goals and initiatives.

Over many grant cycles, administering the NRC and FLAS grant competitions using the current selection

criteria has been unwieldy and burdensome for both applicants and peer reviewers. The Secretary revised the selection criteria to clarify selection criteria, eliminate redundant criteria, reduce the burden on applicants and peer reviewers, and improve alignment with the statute, particularly with regard to comprehensive and undergraduate Centers. The Secretary reduced the comprehensive NRC selection criteria from 10 criteria with 27 sub-criteria to six criteria with 23 sub-criteria; the undergraduate NRC selection criteria from 10 criteria with 26 sub-criteria to six criteria with 23 sub-criteria; and the FLAS selection criteria from nine criteria with 22 sub-criteria to six criteria with 22 sub-criteria. The proposed criteria include some new criteria for the NRC Program, including a “quality of existing academic programs” criterion, and also for FLAS, including “project design and rationale” and “project planning and budget” criteria.

ED’s Office of Postsecondary Education, International and Foreign Language Education (OPE-IFLE) has used the information received for the current collection to develop technical assistance materials for grantees, such as program administration manuals and technical assistance webinars, to inform the performance reporting requirements for these programs, and to demonstrate the impact of these programs. Competitions for these grants occur once every four years. The data in the table is an estimate of the time it takes for respondents to complete official forms, develop the application narrative and budget, and submit completed applications through the *Grants.gov* system.

The NRC application (1840–0807) is affected by the changes to the NRC selection criteria (§§ 656.21, 656.22, and 656.23), which require changes on the application package and technical review forms. This information collection no longer addresses aspects of the FLAS program. The changes to the NRC selection criteria clarify interpretations of statutory language and redesign the selection criteria. The final regulations remove ambiguity and redundancy in the selection criteria and definitions of key terms, improve the application process, and align the administration of the programs with the developments in modern foreign languages and area studies education.

The FLAS application (1840–0867) is affected by the changes to the FLAS selection criteria (§§ 657.21), which require changes on the application package and technical review forms. This new information collection reflects the separation of the applications for the NRC and FLAS programs. The changes to the FLAS selection criteria clarify interpretations of statutory language and redesign the selection criteria. The regulations remove ambiguity and redundancy in the selection criteria and definitions of key terms, improve the application process, and align the administration of the programs with the developments in modern foreign languages and area studies education.

Previously, both applications were combined into one information collection for the Application for the NRC and FLAS Fellowships Programs (1840–0807). These regulations necessitate fully separating the information collection into two distinct information collections. The NRC and FLAS Fellowships Programs’ application had previously been estimated to have 27 burden hours. Based on a commenter’s assertion that our previous calculations severely underestimated the burden hours and costs of this collection, the application now is estimated to have a burden of 420 hours. When multiplied by 165 respondents, this results in Total Annual Burden hours of 69,300. The Total Annual Costs for the application are determined to be \$2,286,900 when the burden hours are multiplied by the commenter’s recommended hourly wage of \$33.

The NRC Program and FLAS Fellowships Program compete only once every four years. The application packages are cleared with OMB once every three years. For every three-year clearance period, the competitions are run once. Because of the separation of the two information collections, the Total Annual Burden Hours and Total Annual Costs are halved, as demonstrated in the tables below. For both the NRC Program and the FLAS Fellowships Program, 420 hours to complete both applications is reduced to 210 hours each. When multiplied by 165 respondents this yields Total Annual Burden Hours of 34,650 and Total Annual Costs of \$1,143,450. Averaged over three years, the Total Annual Burden Hours are 11,550 and the Total Annual Costs are \$381,150 for each program.

NRC PROGRAM (1840–0807)

| Affected type | Number of respondents | Number of responses | Average burden hours per response | Estimated respondent average hourly wage | Total annual burden hours | Total annual costs |
|---|-----------------------|---------------------|-----------------------------------|--|---------------------------|--------------------|
| Institutions, private or non-profit | 165 | 165 | 210 | \$33 | 11,550 | \$381,150 |

FLAS FELLOWSHIPS PROGRAM (1840–0867)

| Affected type | Number of respondents | Number of responses | Average burden hours per response | Estimated respondent average hourly wage | Total annual burden hours | Total annual costs |
|---|-----------------------|---------------------|-----------------------------------|--|---------------------------|--------------------|
| Institutions, private or non-profit | 165 | 165 | 210 | \$33 | 11,550 | \$381,150 |

The NRC application (1840–0807) is affected by the changes to the NRC selection criteria (§§ 656.21, 656.22, and 656.23), which will require changes on the application package and technical review forms. The calculation of burden hours is not affected by the regulatory changes, but we agreed with a commenter’s assertion that our previous calculations severely underestimated the burden hours and costs of this collection.

| Regulatory section | Information collection | OMB Control No. and estimated burden |
|-------------------------------|---|---|
| §§ 656.21, 656.22, and 656.23 | These proposed regulatory provisions would require changing the application package and technical review forms to reflect the modified selection criteria for this program. | 1840–0807. The number of respondents would remain constant at 165. The number of total burden hours for the application is 11,550 when averaged over three years. The averaged total cost is \$381,150. |

The FLAS application (1840–0867) is affected by the changes to the FLAS selection criteria (§ 657.21), which require changes to the application package and technical review forms. The calculation of burden hours is not affected by the regulatory changes, but by the commenter’s assertion that our previous calculations severely underestimated the burden hours and costs of this collection.

| Regulatory section | Information collection | OMB Control No. and estimated burden |
|--------------------|---|--|
| § 657.21 | These regulatory changes require changing the application package and technical review forms to reflect the modified selection criteria for this program. | 1840–0867. The number of respondents will remain constant at 165. The number of total burden hours for the application is 11,550 when averaged over three years. The averaged total cost is \$381,150. |

We prepared an Information Collection Request (ICR) for each of these programs to reflect these changes to the information collection requirements. We invited the public to comment on the ICR but did not receive any comments other than the comment addressed above.

The collection of information contained in these regulations is being submitted to OMB for clearance simultaneously with this Final Rule under the OMB control numbers 1840–0807 and 1840–0867.

Intergovernmental Review

The proposed regulations are not subject to Executive Order 12372 and the regulations in 34 CFR part 79.

Federalism

Executive Order 13132 requires us to ensure meaningful and timely input by State and local elected officials in the development of regulatory policies that

have federalism implications. “Federalism implications” means substantial direct effects on the States, on the relationship between the National Government and the States, or on the distribution of power and responsibilities among the various levels of government. The final regulations do not have federalism implications.

Accessible Format: On request to the program contact person listed under **FOR FURTHER INFORMATION CONTACT**, individuals with disabilities can obtain this document in an accessible format. The Department will provide the requestor with an accessible format that may include Rich Text Format (RTF) or text format (txt), a thumb drive, an MP3 file, braille, large print, audiotape, compact disc, or other accessible format.

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List of Subjects

34 CFR Part 655

Colleges and universities, Cultural exchange programs, Educational research, Educational study programs,

Grant programs—education, Scholarships and fellowships.

34 CFR Part 656

Colleges and universities, Cultural exchange programs, Educational research, Educational study programs, Grant programs—education, Reporting and recordkeeping requirements.

34 CFR Part 657

Colleges and universities, Cultural exchange programs, Educational study programs, Grant programs—education, Reporting and recordkeeping requirements, Scholarships and fellowships.

Nasser Paydar,

Assistant Secretary for Postsecondary Education.

For the reasons discussed in the preamble, the Secretary of Education amends parts 655, 656, and 657 of title 34 of the Code of Federal Regulations as follows:

PART 655—INTERNATIONAL EDUCATION PROGRAMS—GENERAL PROVISIONS

■ 1. The authority citation for part 655 is revised to read as follows:

Authority: 20 U.S.C. 1121–1130b and 1132–1132–7, unless otherwise noted.

■ 2. Amend § 655.1 by revising paragraph (a) to read as follows:

§ 655.1 Which programs do these regulations govern?

* * * * *

(a) The National Resource Centers Program for Foreign Language and Area Studies and the Foreign Language and Area Studies Fellowships Program (section 602 of the Higher Education Act of 1965, as amended);

* * * * *

§ 655.3 [Amended]

■ 3. Amend § 655.3 by:

■ a. Removing paragraphs (a) and (d).

■ b. Redesignating paragraphs (b) through (c) as paragraphs (a) through (b).

■ 4. Revise § 655.4 to read as follows:

§ 655.4 What definitions apply to the International Education Programs?

(a) The following terms used in this part and 34 CFR parts 656, 657, 658, 660, 661, and 669 are defined in 2 CFR part 200, subpart A, 34 CFR 77.1, 34 CFR 600.2, or 34 CFR 668.2:

- (1) Academic engagement.
- (2) Acquisition.
- (3) Applicant.
- (4) Application.
- (5) Award.

- (6) Budget.
 - (7) Clock hour.
 - (8) Contract.
 - (9) Correspondence course.
 - (10) Credit hour.
 - (11) Distance education.
 - (12) Educational program.
 - (13) EDGAR.
 - (14) Enrolled.
 - (15) Equipment.
 - (16) Facilities.
 - (17) Fiscal year.
 - (18) Full-time student.
 - (19) Graduate or professional student.
 - (20) Grant.
 - (21) Grantee.
 - (22) Grant period.
 - (23) Half-time student.
 - (24) Local educational agency.
 - (25) National level.
 - (26) Nonprofit.
 - (27) Project.
 - (28) Project period.
 - (29) Private.
 - (30) Public.
 - (31) Regular student.
 - (32) Secretary.
 - (33) State educational agency.
 - (34) Supplies.
 - (35) Undergraduate student.
- (b) The following definitions apply to International Education Programs:

Area studies means a program of comprehensive study of the aspects of a world area's society or societies, including study of history, culture, economy, politics, international relations, and languages.

Areas of national need means the various needs in the government, education, business, and nonprofit sectors for expertise in foreign language, area, and international studies identified by the Secretary as significant for maintaining or improving the security, stability, and economic vitality of the United States.

Consortium of institutions of higher education means a group of institutions of higher education that have entered into a cooperative arrangement for the purpose of carrying out a common objective, or a public or private nonprofit agency, organization, or institution designated or created by a group of institutions of higher education for the purpose of carrying out a common objective on their behalf.

Consultation on areas of national need means the process that allows the head officials of a wide range of Federal agencies to consult with the Secretary and provide recommendations regarding national needs for expertise in foreign languages and world areas that the Secretary may take into account when identifying areas of national need.

Diverse perspectives means a variety of viewpoints relevant to understanding

global or international issues in context, especially those derived from scholarly research or sustained professional activities and community engagement abroad, and relevant to building multifaceted knowledge and expertise in area studies, international studies, and the international aspects of professional studies, including issues related to world regions, foreign languages, and international affairs, among stakeholders.

Educational program abroad means a program of study, internship, or service learning outside the United States that is part of a foreign language or other international curriculum at the undergraduate or graduate education level.

Institution of higher education means an institution that meets the definition in section 101(a) of the Higher Education Act of 1965, as amended, as well as an institution that meets the requirements of section 101(a) except that—

(1) It is not located in the United States; and

(2) It applies for assistance under title VI of the Higher Education Act of 1965, as amended, in consortia with institutions that meet the definition in section 101(a).

Intensive language instruction means instruction of at least five clock hours per week during the academic year or the equivalent of a full academic year of language instruction during the summer.

■ 5. Add § 655.5 to read as follows:

§ 655.5 What are the purposes of the International Educational Programs?

(a) Each of the programs authorized by part A of title VI of the Higher Education Act of 1965, as amended, contributes to at least one, but not necessarily all, of the following purposes:

(1) Provision of support for centers, programs, and fellowships in institutions of higher education in the United States for producing increased numbers of trained personnel and research in foreign languages, area studies, and other international studies.

(2) Development of a pool of international experts to meet national needs.

(3) Development and validation of specialized materials and techniques for foreign language acquisition and fluency, emphasizing (but not limited to) the less commonly taught languages.

(4) Promotion of access to research and training overseas, including through linkages with overseas institutions.

(5) Advancement of the internationalization of a variety of

disciplines throughout undergraduate and graduate education.

(6) Support for cooperative efforts promoting access to and the dissemination of international and foreign language knowledge, teaching materials, and research, throughout education, government, business, civic, and nonprofit sectors in the United States, through the use of advanced technologies.

(b) The regulations in this part govern the following programs that are authorized by part A of title VI of the Higher Education Act of 1965, as amended:

(1) The National Resource Centers Program for Foreign Language and Area Studies and the Foreign Language and Area Studies Fellowships Program.

(2) The Language Resource Centers Program.

(3) The Undergraduate International Studies and Foreign Language Program.

(4) The International Research and Studies Program.

(c) The following activities authorized by part A of title VI of the Higher Education Act of 1965, as amended, contribute to the coordination of the programs of the Federal Government in the areas of foreign language, area studies, and other international studies, including professional international affairs education and research:

(1) The consultation on areas of national need.

(2) The periodic survey of fellows who have participated in the Foreign Language and Area Studies Fellowships Program to determine postgraduate employment, education, or training.

(d) Each of the programs authorized by part B of title VI of the Higher Education Act of 1965, as amended, contributes to at least one, but not necessarily all, of the following purposes:

(1) Increase and promotion of the Nation's capacity for international understanding and economic enterprise through the provision of suitable international education and training for business personnel in various stages of professional development; and develop a pool of international experts to meet national needs.

(2) Promotion of institutional and noninstitutional educational and training activities that will contribute to the ability of United States business to prosper in an international economy.

(e) The regulations in this part govern the following programs that are authorized by part B of title VI of the Higher Education Act of 1965, as amended: The Business and International Education Program.

■ 6. Revise § 655.30 to read as follows:

§ 655.30 How does the Secretary evaluate an application?

The Secretary evaluates applications for International Education Programs using the criteria described in one or more of the following:

(a) The general criteria in § 655.31.

(b) The specific criteria, as applicable, in subpart C of 34 CFR parts 656 and 657, or subpart D of 34 CFR parts 658, 660, 661, and 669.

■ 7. Amend § 655.31 by revising paragraph (e)(2)(i) to read as follows:

§ 655.31 What general selection criteria does the Secretary use?

* * * * *

(e) * * *

(2) * * *

(i) Facilities (including but not limited to language laboratories, museums, and libraries) that the applicant plans to use are adequate; and

* * * * *

■ 8. Effective August 15, 2025, revise part 656 to read as follows:

PART 656—NATIONAL RESOURCE CENTERS PROGRAM FOR FOREIGN LANGUAGE AND AREA STUDIES

Sec.

Subpart A—General

656.1 What is the purpose of the National Resource Centers Program?

656.2 What entities are eligible to receive a grant?

656.3 What defines a comprehensive or undergraduate National Resource Center?

656.4 For what special purposes may a Center receive an additional grant under this part?

656.5 What regulations apply to this program?

656.6 What definitions apply to this program?

656.7 Severability.

Subpart B—How Does an Eligible Institution Apply for a Grant?

656.10 How does an institution submit a grant application?

656.11 What assurances and other information must an applicant include in an application?

Subpart C—How Does the Secretary Make a Grant?

656.20 How does the Secretary select applications for funding?

656.21 What selection criteria does the Secretary use to evaluate an application for a comprehensive Center?

656.22 What selection criteria does the Secretary use to evaluate an application for an undergraduate Center?

656.23 What selection criteria does the Secretary use to evaluate an application for an additional special purpose grant to a Center?

656.24 What priorities may the Secretary establish?

Subpart D—What conditions must be met by a grantee?

656.30 What activities and costs are allowable?

Authority: 20 U.S.C. 1121, 1122, 1127, and 1132 unless otherwise noted.

Subpart A—General

§ 656.1 What is the purpose of the National Resource Centers Program?

(a) Under the National Resource Centers Program for Foreign Language and Areas Studies (National Resource Centers Program), the Secretary awards grants to institutions of higher education and consortia of institutions to establish, strengthen, and operate comprehensive and undergraduate Centers that act cooperatively as national resources for—

(1) Teaching of modern foreign languages, especially less commonly taught languages;

(2) Instruction in fields of study needed to provide full understanding of areas, regions, or countries in which such languages are commonly used;

(3) Research and training in international studies and the international and foreign language aspects of professional and other fields of study; and

(4) Instruction and research on issues in world affairs that concern one or more countries.

(b) Through the activities described in paragraph (a) of this section, the National Resource Centers Program contributes to the purposes of the programs authorized by part A of title VI of the Higher Education Act of 1965, as amended, listed in § 655.5(a).

§ 656.2 What entities are eligible to receive a grant?

(a) An institution of higher education or a consortium of institutions of higher education is eligible to receive a grant under this part as either a comprehensive Center or undergraduate Center.

(b) An institution of higher education or a consortium of institutions of higher education that is a current recipient of a grant under this part as either a comprehensive Center or undergraduate Center is eligible to receive an additional grant under this part for special purposes related to library collections, outreach, and summer institutes, as described in § 656.4.

§ 656.3 What defines a comprehensive or undergraduate National Resource Center?

(a) A Center's area of focus for research, teaching, training, instruction, and project activities must be aligned with both of the following requirements:

(1) The area of focus must be a geographic world area or a geographically designated region that spans multiple world areas.

(2) Research, teaching, training, and instruction in specific languages, countries, regions, societies, or other units of analysis related to the area of focus described in this paragraph (1) must be conducted at the institution.

(b) A comprehensive Center is an administrative unit of an eligible institution of higher education that independently or through collaboration with other administrative units—

(1) Provides intensive modern foreign language training, especially for less commonly taught languages, in the Center's area of focus;

(2) Contributes significantly to the national interest in advanced research and scholarship in the Center's area of focus;

(3) Employs a critical mass of scholars in diverse disciplines related to the Center's area of focus;

(4) Maintains important library collections related to the Center's area of focus;

(5) Makes training available in language and area studies in the Center's area of focus, to graduate, postgraduate, and undergraduate students;

(6) Addresses national needs for modern foreign language and area studies expertise and knowledge, including through, but not limited to, the placement of students into postgraduate employment, education, or training in areas of need; and

(7) Disseminates information about the Center's area of focus to audiences in the United States.

(c) An undergraduate Center independently or through collaboration with other administrative units—

(1) Teaches modern foreign languages, especially less commonly taught languages, related to the Center's area of focus;

(2) Prepares undergraduate students to matriculate into advanced modern foreign language and area studies programs and professional school programs;

(3) Incorporates substantial content related to the Center's area of focus into baccalaureate degree programs;

(4) Engages in research and curriculum development designed to broaden knowledge and expertise related to the Center's area of focus;

(5) Employs faculty with strong language, area, and international studies credentials related to the Center's area of focus;

(6) Maintains library holdings sufficient to support high-quality

training and instruction in the Center's area of focus for undergraduate students;

(7) Makes training related to the Center's area of focus available predominantly to undergraduate students in support of the objectives of a undergraduate education;

(8) Addresses national needs for language and area studies expertise and knowledge, including through, but not limited to, the placement of undergraduate students into postgraduate employment, education, or training in areas of need; and

(9) Disseminates information about the Center's area of focus to audiences in the United States.

§ 656.4 For what special purposes may a Center receive an additional grant under this part?

The Secretary may make additional special purpose grants to Centers for one or more of the following purposes:

(a) Linkage or outreach between foreign language, area studies, and other international fields and professional schools and colleges.

(b) Linkage or outreach with 2- and 4-year colleges and universities.

(c) Linkage or outreach between or among—

(1) Postsecondary programs or departments in foreign language, area studies, or other international fields; and

(2) State educational agencies or local educational agencies.

(d) Partnerships or programs of linkage and outreach with departments or agencies of Federal and State governments, including Federal or State scholarship programs for students in related areas.

(e) Linkage or outreach with the news media, business, professional, or trade associations.

(f) Summer institutes in area studies, foreign language, or other international fields designed to carry out the activities in paragraphs (a), (b), (d), and (e) of this section.

(g) Maintenance of important library collections.

§ 656.5 What regulations apply to this program?

The following regulations apply to this program:

(a) The regulations in 34 CFR part 655.

(b) The regulations in this part 656.

§ 656.6 What definitions apply to this program?

The following definitions apply to this part:

(a) The definitions in 34 CFR part 655.

(b) The following definitions, unless otherwise specified:

Critical mass of scholars means a concentration of modern foreign language and area studies faculty, researchers, and other similar personnel associated with a Center who collectively make significant contributions in a field of area studies because of their expertise and are distinguished by their training in many different academic disciplines in addition to their active engagement in interdisciplinary initiatives related to the Center's area of focus. The following are examples of other factors that may be considered in determining whether there is a *critical mass of scholars*:

(i) Whether instruction in many foreign languages is offered.

(ii) Whether specialized area studies or language instruction is regularly offered.

(iii) The number of graduate student research projects (dissertations, theses, or equivalents) supervised.

(iv) The degree of collaboration with international partners.

(v) Participation in professional activities or consultations with partners outside academia.

(vi) Professional awards and honors.

(vii) Roles in professional associations.

(viii) Activities funded by external grants.

(ix) The number of scholars relative to all similarly qualified individuals in the United States.

Institution means an institution of higher education, as defined in 34 CFR part 655. References to an institution include all institutions of higher education that operate as a consortium under this part.

National Resource Center (Center) means an administrative unit within an institution of higher education that is a grantee under this part that coordinates educational initiatives related to an area of focus as described in § 656.3(a) at that institution or for a consortium of institutions through direct access to faculty, staff, administrators, students, library collections and other research resources that support research, training, and instruction in various academic disciplines, professional fields, and languages.

§ 656.7 Severability.

If any provision of this part or its application to any person, act, or practice is held invalid, the remainder of the part or the application of its provisions to any other person, act, or practice will not be affected thereby.

Subpart B—How Does an Eligible Institution Apply for a Grant?

§ 656.10 How does an institution submit a grant application?

The application notice published in the **Federal Register** explains how to apply for a new grant under this part.

§ 656.11 What assurances and other information must an applicant include in an application?

(a) Each institution of higher education, including each member of a consortium, applying for a grant under this part must provide all of the following:

(1) An explanation of how the activities funded by the grant will reflect diverse perspectives, as defined in part 655, and a wide range of views and generate debate on world regions and international affairs.

(2) A description of how the applicant will encourage government service in areas of national need, as identified by the Secretary, as well as in areas of need in the education, business, and nonprofit sectors.

(b) An applicant must submit an Applicant Profile Form, as described in the application package.

(c) An applicant must submit a description of the applicant's policy regarding non-discriminatory hiring practices.

(d) An applicant must submit a description of the applicant's travel policies, if such policies exist, or a statement that such policies do not exist.

(e) Each consortium applying for an award under this part must submit a group agreement (consortium agreement) that addresses the required elements of 34 CFR 75.128 and describes a rationale for the formation of the consortium.

Subpart C—How Does the Secretary Make a Grant?

§ 656.20 How does the Secretary select applications for funding?

(a) The Secretary evaluates an application for a comprehensive Center under the criteria contained in § 656.21, and for an undergraduate Center under the criteria contained in § 656.22. The Secretary evaluates applications for additional special purpose grants to Centers under the criteria contained in § 656.23.

(b) The Secretary informs applicants of the maximum possible score for each criterion in the application package or in a notice published in the **Federal Register**.

(c) The Secretary makes grant awards using a peer review process.

Applications that share the same or similar area of focus, as declared by each applicant under § 656.3(a), are grouped together for purposes of review. Each application is reviewed for excellence based on the applicable criteria referenced in paragraph (a) of this section. Applications are then ranked within each group that shares the same or similar area of focus.

(d) The Secretary may determine a minimum total score required to demonstrate a sufficient degree of excellence to qualify for a grant under this part.

(e) If insufficient money is available to fund all applications demonstrating a sufficient degree of excellence as determined under paragraphs (a), (c), and (d) of this section, the Secretary considers the degree to which priorities derived from the consultation on areas of national need or established under the provisions of § 656.24 and relating to specific countries, world areas, or languages are served when selecting applications for funding and determining the amount of a grant.

§ 656.21 What selection criteria does the Secretary use to evaluate an application for a comprehensive Center?

The Secretary evaluates an application for a comprehensive Center on the basis of the criteria in this section.

(a) *Center scope, personnel, and operations.* The Secretary reviews each application to determine one or more of the following:

(1) The extent to which the proposed Center's area of focus meets the requirements in § 656.3(a).

(2) The extent to which the project director and other individuals, including relevant staff and faculty, are qualified to administer the proposed Center and oversee the implementation of project activities, including the degree to which they engage in ongoing professional development activities relevant to their roles at the proposed Center.

(3) The adequacy of governance and oversight arrangements for the proposed Center, including the extent to which faculty from a variety of academic units participate in administration and oversee outreach activities, and, for a consortium, the extent to which the consortium agreement demonstrates commitment to a common objective.

(4) The extent to which the institution provides or will provide financial, administrative, and other support for the operation of the proposed Center at a level sufficient to enable the administration of the proposed project and coordination of educational

initiatives in the proposed Center's area of focus.

(b) *Quality of existing academic programs.* The Secretary reviews each application to determine one or more of the following:

(1) The extent to which the institution makes high-quality training, especially integrated interdisciplinary training in modern foreign languages and area studies, appropriate to the applicant's area of focus, available in the curricula for graduate, professional, and undergraduate students in a wide variety of educational programs.

(2) The extent to which the institution routinely provides language instruction, including intensive language instruction, relevant to the applicant's area of focus at multiple levels, as well as the degree to which these offerings represent distinctive commitments to depth or breadth.

(3) The extent to which qualified experts at the institution provide modern foreign language instruction in the applicant's area of focus, as well as the degree to which this instruction utilizes stated performance goals for functional foreign language use and the degree to which stated performance goals are met or are likely to be met by students.

(4) The extent to which the institution employs a critical mass of scholars in the applicant's area of focus, including the degree to which the institution employs enough qualified tenured and tenure-track faculty with teaching and advising responsibilities to enable the applicant to carry out interdisciplinary instructional and training programs supported by sufficient depth and breadth of course offerings in the applicant's area of focus.

(c) *Impact of existing activities and resources.* The Secretary reviews each application to determine one or more of the following:

(1) The extent to which the applicant, affiliated faculty, and institutional partners contribute significantly to the national interest in advanced research and scholarship related to the applicant's area of focus.

(2) The extent to which the institution's library holdings (print and non-print, physical and digital, English and foreign language) and other research collections are important library collections in the applicant's area of focus that support advanced training and research, including the degree to which holdings are made available to researchers throughout the United States, the degree to which collections include unique or rare resources, and the degree to which the collections are managed by experts in the applicant's

area of focus with appropriate professional training.

(3) The extent to which the applicant, including affiliated faculty and institutional partners, generates information about the applicant's area of focus, disseminates this information to various audiences in the United States, and effectively engages those audiences through sustained outreach activities at the regional and national levels that respond to the diverse needs of, for example, elementary and secondary schools, State educational agencies, postsecondary institutions, nonprofit organizations, businesses, the media, and Federal agencies.

(4) The extent to which the applicant's activities address national needs related to language and area studies expertise and knowledge, including, but not limited to, the applicant's record in placing students into post-graduate employment, education, or training in areas of national need related to language and area studies knowledge.

(d) *Project design and rationale.* The Secretary reviews each application to determine one or more of the following:

(1) The extent to which the intended outcomes of the proposed project are clearly specified, are possible to achieve within the project period, and address specific gaps or weaknesses in services, infrastructure, or opportunities related to the Center's area of focus, the purpose of the National Resource Centers Program described in § 656.1, and the comprehensive type of Center described in § 656.3(b).

(2) The extent to which the proposed project is likely to contribute to meeting national needs related to language and area studies expertise and knowledge, including, but not limited to, by the proposed project's intended outcomes and other stated efforts related to increasing the number of students that go into post-graduate employment, education, or training in areas of national need.

(3) The extent to which the proposed project is designed to build academic and/or institutional capacity in the Center's area of focus and sustain results beyond the project period.

(4) The extent to which the proposed project will reflect diverse perspectives, as defined in part 655, and a wide range of views and generate debate on world regions and international affairs.

(e) *Project planning and budget.* The Secretary reviews each application to determine one or more of the following:

(1) The extent to which all proposed activities are adequately described relative to their contribution to the proposed project's intended outcomes.

(2) The extent to which all proposed activities are of high quality, including the degree to which they align with the purpose of the National Resource Centers program described in § 656.1, the comprehensive type of Center described in § 656.3(b), and the proposed project's intended outcomes.

(3) The extent to which the proposed timeline of activities and other application materials, such as letters of support, demonstrate the feasibility of completing proposed activities during the project period.

(4) The extent to which all costs are itemized in the budget narrative and the costs are reasonable in relation to the objectives, design, and potential significance of the proposed project.

(f) *Quality of project evaluation.* The Secretary reviews each application to determine one or more of the following:

(1) The extent to which the methods of evaluation are thorough, feasible, and appropriate to the proposed project.

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

(3) The qualifications, including relevant training, experience, and independence, of the evaluator(s).

§ 656.22 What selection criteria does the Secretary use to evaluate an application for an undergraduate Center?

The Secretary evaluates an application for an undergraduate Center on the basis of the criteria in this section.

(a) *Center scope, personnel, and operations.* The Secretary reviews each application to determine one or more of the following:

(1) The extent to which the proposed Center's area of focus meets the requirements in § 656.3(a).

(2) The extent to which the project director and other individuals, including relevant staff and faculty, are qualified to administer the proposed Center and oversee the implementation of project activities, including the degree to which they engage in ongoing professional development activities relevant to their roles at the proposed Center.

(3) The adequacy of governance and oversight arrangements for the proposed Center, including the extent to which faculty from a variety of academic units participate in administration and oversee outreach activities, and, for a consortium, the extent to which the consortium agreement demonstrates commitment to a common objective.

(4) The extent to which the institution provides or will provide financial,

administrative, and other support for the operation of the proposed Center at a level sufficient to enable the administration of the proposed project and coordination of educational initiatives in the proposed Center's area of focus.

(b) *Quality of existing academic programs.* The Secretary reviews each application to determine one or more of the following:

(1) The extent to which the institution makes high-quality training, especially integrated interdisciplinary training in modern foreign language and area or international studies, appropriate to the applicant's area of focus, available in educational programs for undergraduate students.

(2) The extent to which the institution routinely provides language instruction relevant to the applicant's area of focus, as well as the degree to which these offerings represent distinctive commitments to depth or breadth of coverage.

(3) The extent to which qualified experts at the institution provide modern foreign language instruction in the applicant's area of focus, as well as the degree to which this instruction utilizes stated performance goals for functional foreign language use and the degree to which stated performance goals are met or are likely to be met by undergraduate students.

(4) The extent to which the institution employs faculty with strong language, area, and international studies credentials related to the applicant's area of focus, including the degree to which the institution employs enough qualified tenured and tenure-track faculty with teaching and advising responsibilities, to enable the applicant to carry out instructional and training programs supported by sufficient depth and breadth of course offerings for undergraduate students in the applicant's area of focus.

(c) *Impact of existing activities and resources.* The Secretary reviews each application to determine one or more of the following:

(1) The extent to which the applicant would contribute to the formation of a diverse network of undergraduate Centers through the training of undergraduate students who matriculate into advanced language and area studies programs and professional school programs related to the applicant's area of focus, especially through, but not limited to, innovative curriculum design, linkages with other institutions of higher education or organizations, requirements for student research or study abroad, support for relevant

internship or other co-curricular opportunities, or specialized advising.

(2) The extent to which the institution's library holdings (print and non-print, physical and digital, English and foreign language), other research collections, and staffing support high-quality undergraduate training in the applicant's area of focus through the provision of basic reference works, journals, and works in translation but do not constitute an important library collection in the applicant's area of focus.

(3) The extent to which the applicant, including affiliated faculty and institutional partners, generates information about the applicant's area of focus, disseminates this information to various audiences in the United States, and effectively engages those audiences through sustained outreach activities at the regional and national levels that respond to the diverse needs of, for example, elementary and secondary schools, State educational agencies, postsecondary institutions, nonprofit organizations, businesses, the media, and Federal agencies.

(4) The extent to which the applicant's activities address national needs related to language and area studies expertise and knowledge, including, but not limited to, the applicant's record in placing undergraduate students into post-graduate employment, education, or training in areas of national need related to language and area studies knowledge, including into education and training at a variety of other institutions.

(d) *Project design and rationale.* The Secretary reviews each application to determine one or more of the following:

(1) The extent to which the intended outcomes of the proposed project are clearly specified, possible to achieve within the project period, and address specific gaps or weaknesses in services, infrastructure, or opportunities related to the Center's area of focus, the purpose of the National Resource Centers program described in § 656.1, and the undergraduate type of Center described in § 656.3(c).

(2) The extent to which the proposed project is likely to contribute to meeting national needs related to language and area studies expertise and knowledge, including, but not limited to, by the proposed project's intended outcomes and other stated efforts related to increasing the number of undergraduate students that go into post-graduate employment, education, or training in areas of national need.

(3) The extent to which the proposed project is designed to build academic and/or institutional capacity in the

Center's area of focus and sustain results beyond the project period.

(4) The extent to which the proposed project will reflect diverse perspectives, as defined in part 655, and a wide range of views and generate debate on world regions and international affairs.

(e) *Project planning and budget.* The Secretary reviews each application to determine one or more of the following:

(1) The extent to which all proposed activities are adequately described relative to their contribution to the proposed project's intended outcomes.

(2) The extent to which all proposed activities are of high quality, including the degree to which they align with the purpose of the National Resource Centers program as described in § 656.1, the undergraduate type of Center described in § 656.3(c), and the proposed project's intended outcomes.

(3) The extent to which the proposed timeline of activities and other application materials, such as letters of support, demonstrate the feasibility of completing proposed activities during the project period.

(4) The extent to which all costs are itemized in the budget narrative and the costs are reasonable in relation to the objectives, design, and potential significance of the proposed project.

(f) *Quality of project evaluation.* The Secretary reviews each application to determine one or more of the following:

(1) The extent to which the methods of evaluation are thorough, feasible, and appropriate to the proposed project.

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

(3) The qualifications, including relevant training, experience, and independence, of the evaluator(s).

§ 656.23 What selection criteria does the Secretary use to evaluate an application for an additional special purpose grant to a Center?

The Secretary evaluates an application for an additional special purpose grant for a Center on the basis of one or more of the criteria in this section.

(a) *Project design and rationale.* The Secretary reviews each application to determine one or more of the following:

(1) The extent to which the project aligns with the Center's approved area of focus under § 656.3(a) and proposes at least one type of activity described in § 656.4(a)–(g).

(2) The extent to which the intended outcomes of the proposed project are clearly specified, possible to achieve

within the project period, and address specific gaps or weaknesses in services, infrastructure, or opportunities related to the Center's area of focus, the purpose of the National Resource Centers program described in § 656.1, and the appropriate type of Center described in § 656.3(b)–(c).

(3) The extent to which the project is likely to contribute to meeting national needs related to language and area studies knowledge or expertise.

(4) The extent to which the proposed project is designed to build academic and/or institutional capacity and sustain results beyond the project period.

(b) *Project planning and budget.* The Secretary reviews each application to determine one or more of the following:

(1) The extent to which all proposed activities are adequately described relative to their contribution to the proposed project's intended outcomes.

(2) The extent to which all proposed activities are of high quality, including the degree to which they align with the purpose of the National Resource Centers program as described in § 656.1, the appropriate type of Center described in § 656.3(b)–(c), and the proposed project's intended outcomes.

(3) The extent to which the proposed timeline of activities and other application materials, such as letters of support, demonstrate the feasibility of completing proposed activities during the project period.

(4) The extent to which all costs are itemized in the budget narrative and the costs are reasonable in relation to the objectives, design, and potential significance of the proposed project.

(c) *Key personnel and project operations.* The Secretary reviews each application to determine one or both of the following:

(1) The extent to which project personnel are qualified to oversee and carry out the proposed project.

(2) The adequacy of staffing, governance, and oversight arrangements, and, for a consortium, the extent to which the consortium agreement demonstrates commitment to a common objective.

(d) *Quality of project evaluation.* The Secretary reviews each application to determine one or more of the following:

(1) The extent to which the methods of evaluation are thorough, feasible, and appropriate to the proposed project.

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

(3) The qualifications, including relevant training, experience, and independence, of the evaluator(s).

§ 656.24 What priorities may the Secretary establish?

(a) The Secretary may select one or more of the following funding priorities:

(1) Specific world areas, countries, or societies.

(2) Instruction of specific modern foreign languages.

(3) Modern foreign language instruction at a specific level or degree of intensity, such as intermediate or advanced language instruction or instruction at an intensity of 10 clock hours or more per week.

(4) Specific areas of national need for expertise in foreign languages and world areas derived from the consultation with Federal agencies on areas of national need.

(5) Specific area of focus, such as a world area or a portion of a world area (e.g., a single country or society) in addition to a specific topic (e.g., economic cooperation, cybersecurity, energy, climate change, translation, genocide prevention, or migration).

(b) The Secretary may select one or more of the activities listed in § 656.4 or § 656.30(a) as a funding priority.

(c) The Secretary announces any priorities in the application notice published in the **Federal Register**.

Subpart D—What Conditions Must Be Met by a Grantee?

§ 656.30 What activities and costs are allowable?

(a) *Allowable activities and costs.* Except as provided under paragraph (b) of this section, a grant awarded under this part may be used to pay all or part of the cost of establishing, strengthening, or operating a comprehensive or undergraduate Center including, but not limited to, the cost of the following:

(1) Supporting instructors of the less commonly taught languages related to the Center's area of focus.

(2) Creating, expanding, or improving opportunities for the formal study of the less commonly taught languages related to the Center's area of focus.

(3) Creating or operating summer institutes in the United States or abroad designed to provide modern foreign language and area training in the Center's area of focus.

(4) Cooperating with other Centers to conduct projects that address issues of world, regional, cross-regional, international, or global importance.

(5) Bringing visiting scholars and faculty to the Center to teach, conduct

research, or participate in conferences or workshops.

(6) Disseminating information about the Center's area of focus to various audiences in the United States through domestic outreach activities involving, for example, elementary and secondary schools, postsecondary institutions, businesses, and the media.

(7) Funding library acquisitions, the maintenance of library collections, or efforts to enhance access to library collections related to the Center's area of focus.

(8) Establishing and maintaining linkages with overseas institutions of higher education, alumni, and other organizations that may contribute to the teaching and research of the Center's area of focus.

(9) Creating, obtaining, modifying, or improving access to teaching and research materials related to the Center's area of focus.

(10) Creating, expanding, or improving activities or teaching materials that are intended to increase modern foreign language proficiency related to the Center's area of focus among students in the science, technology, engineering, and mathematics fields.

(11) Conducting projects that encourage and prepare students to seek employment relevant to the Center's area of focus in areas of national need.

(12) Planning or developing curriculum related to the Center's area of focus.

(13) Engaging in professional development of the Center's faculty and staff.

(14) Funding salaries and travel for faculty and staff related to the Center's area of focus.

(b) *Limitations.* The following are limitations on allowable activities and costs:

(1) Equipment costs exceeding 10 percent of the grant are not allowable.

(2) Undergraduate student travel is only allowable if grantees have received prior approval by the Secretary for the associated costs and the travel is made in conjunction with a formal program of supervised study in the Center's area of focus.

(3) Grant funds may not be used to supplant funds normally used by grantees for purposes of this part.

(4) The following limitations on compensation paid to personnel apply to each award under this part:

(i) *Project director.* (A) Personnel costs and other related costs, including the cost of fringe benefits, associated with compensation for the project director are not allowable if such compensation only reflects the

administrative tasks ordinarily associated with the role.

(B) Personnel costs and other related costs, including the cost of fringe benefits, associated with compensation for the project director are allowable with the Secretary's prior approval if such compensation is directly tied to the implementation of an approved project activity that requires the project director's expertise.

(ii) *Instructors of less commonly taught languages.* Personnel costs and other costs, including the cost of fringe benefits, related to the compensation of individuals directly engaged in the instruction of a less commonly taught language are allowable up to 100 percent of the actual costs associated with approved project activities.

(iii) *Other project personnel.* Personnel costs and other costs, including the costs of fringe benefits, related to the compensation of project personnel who are not described in paragraph (b)(4)(i) or (ii) of this section are allowable up to 50 percent of the costs for a full-time equivalent position.

(5) Costs for international travel are only allowable if a Center has obtained prior approval from the Secretary.

(6) Activities must be relevant to the Center's area of focus and the type of Center (comprehensive or undergraduate).

(7) An undergraduate Center's project and related activities must predominantly benefit the instruction and training of undergraduate students.

■ 9. Effective August 15, 2025, revise part 657 to read as follows:

PART 657—FOREIGN LANGUAGE AND AREA STUDIES FELLOWSHIPS PROGRAM

Sec.

Subpart A—General

657.1 What is the Foreign Language and Area Studies Fellowships Program?

657.2 What entities are eligible to receive an allocation of fellowships?

657.3 What are the instructional and administrative requirements for an allocation of fellowships?

657.4 Who is eligible to receive a fellowship?

657.5 What is the amount of a fellowship?

657.6 What regulations apply to this program?

657.7 What definitions apply to this program?

657.8 Severability.

Subpart B—How Does an Eligible Institution or Student Apply?

657.10 How does an institution submit a grant application?

657.11 What assurances and other information must an applicant institution include in an application?

657.12 How does a student apply for a fellowship?

Subpart C—How Does the Secretary Make a Grant?

657.20 How does the Secretary select institutional applications for funding?

657.21 What selection criteria does the Secretary use to evaluate an institutional application for an allocation of fellowships?

657.22 What priorities may the Secretary establish?

Subpart D—What Conditions Must Be Met by Institutional Grantees and Fellows?

657.30 What are the limitations on fellowships?

657.31 What is the payment procedure for fellowships?

657.32 Under what circumstances must an institution terminate a fellowship?

657.33 What are the reporting requirements for grantee institutions and for individual fellows who receive funds under this program?

657.34 What are an institution's responsibilities after the award of a grant for administering fellowship funding?

Authority: 20 U.S.C. 1122 and 1132–3, unless otherwise noted.

Subpart A—General

§ 657.1 What is the Foreign Language and Area Studies Fellowships Program?

(a) Under the Foreign Language and Area Studies Fellowships Program, the Secretary provides allocations of fellowships to Centers and other administrative units at eligible institutions of higher education that award the fellowships on a competitive basis to undergraduate or graduate students who are undergoing advanced training in modern foreign languages and area studies.

(b) The Foreign Language and Area Studies Fellowships Program contributes to the purposes of the programs authorized by part A of title VI of the Higher Education Act of 1965, as amended, listed in § 655.5(a), especially the development of a pool of international experts to meet national needs.

§ 657.2 What entities are eligible to receive an allocation of fellowships?

The Secretary awards an allocation of fellowships (grant) to an institution of higher education or to a consortium of institutions of higher education.

§ 657.3 What are the instructional and administrative requirements for an allocation of fellowships?

(a) An allocation of fellowships must support area studies and language instruction that aligns with all of the following requirements:

(1) A geographic world area or a geographically designated region that

spans multiple world areas and serves as the focus of research, teaching, training, and instruction.

(2) Languages specific to the geographic area of focus.

(3) Existing programs or proposed instructional programs that will be developed and implemented during the grant period.

(b) An allocation of fellowships must be administered according to the institution's written plan for distributing fellowships and allowances to eligible fellows for training and instruction during the academic year or summer, provided that—

(1) The fellowship types are described in the budget narrative of an application selected for funding under this part; or

(2) The Secretary has approved any proposed changes to an approved Center's or Program's plan.

§ 657.4 Who is eligible to receive a fellowship?

A student must satisfy the criteria in paragraphs (a) through (e) of this section during the fellowship period to be eligible to receive a fellowship from an approved Center or Program, and a student receiving an academic year fellowship must additionally satisfy the criteria in paragraph (f) of this section to be eligible:

(a) The student is a—

(1) Citizen or national of the United States; or

(2) Permanent resident of the United States.

(b) The student is accepted for enrollment, is enrolled, or will continue to be enrolled in the institution receiving an allocation of fellowships.

(c) The student demonstrates—

(1) Commitment to the study of a world area relevant to the allocation of fellowships; and

(2) Potential for high academic achievement based on grade point average, class ranking, or similar measures that the institution may determine.

(d) The student is engaged in modern foreign language training or instruction in a language—

(1) That is relevant to the student's educational program, as described in paragraph (c), as well as the allocation of fellowships; and

(2) For which the institution or program has developed or is developing performance goals for foreign language use, and in the case of summer programs has received approval from the Secretary.

(e) The student must engage in the type of training appropriate to their degree status:

(1) Undergraduate students must engage in the study of a less commonly

taught language at the intermediate or advanced level.

(2) Non-dissertation or predissertation level graduate students must engage in the study of a modern foreign language at the—

(i) Intermediate or advanced level; or

(ii) Beginning level, provided they demonstrate advanced proficiency in another modern foreign language relevant to their field of study or obtain the permission of the Secretary.

(3) Dissertation level graduate students must—

(i) Engage in dissertation research abroad or dissertation writing in the United States;

(ii) Demonstrate advanced proficiency in a modern foreign language relevant to the dissertation project and the allocation of fellowships; and

(iii) Use modern foreign language(s) relevant to the allocation of fellowships in their dissertation research or writing.

(f) The student meets the criteria related to educational programs described in this paragraph (f)(1) or (2):

(1) The student is pursuing an educational program (including any major fields of study, general education requirements, certificates, concentrations, specializations, or minor fields of study, or other established components of an institution's curriculum) that requires or ordinarily includes—

(i) Instruction in at least one modern foreign language related to the allocation of fellowships or a demonstration of proficiency in at least one modern foreign language related to the allocation of fellowships; and

(ii) Instruction or, for graduate students, supervised research related to the allocation of fellowships in—

(A) Area studies; or

(B) The international aspects of professional fields and other fields of study, including but not limited to science, technology, engineering, and mathematics fields.

(2) The student is pursuing an educational program that includes all of the following:

(i) A requirement for substantial instruction in a professional field or in one or more science, technology, engineering, and mathematics fields.

(ii) The option to incorporate international aspects of fields of study through instruction in area studies and at least one modern foreign language.

(iii) Courses that meet fellowship duration and purpose requirements described in § 657.30(b) and are selected under the guidance of an individual or committee who possesses area studies and modern foreign language qualifications relevant to the allocation

of fellowships as well as knowledge of requirements for the student's educational program.

§ 657.5 What is the amount of a fellowship?

(a) Each fellowship consists of an institutional payment, a stipend, and any additional allowances permitted under this part.

(1) A fellowship may include additional allowances payable to a fellow in addition to the stipend, as determined by the Secretary and as allocated by an approved Center or Program.

(2) If the institutional payment determined by the Secretary is greater than the tuition and fees charged by the institution, the institutional payment portion of the fellowship is limited to actual costs.

(b) The Secretary announces the following in a notice published in the **Federal Register**:

(1) The amounts of the stipend and institutional payment for each type of fellow during an academic year.

(2) The amounts of the stipend and institutional payment for each type of fellow during a summer session.

(3) Whether travel allowances of any type will be permitted.

(4) Whether dependent allowances of any type will be permitted.

(5) The amounts of any permitted allowances.

(6) Any limitation on the applicability of the amounts or allowances addressed in this paragraph (b).

(c) Allowances are only permissible if the Secretary announces such allowances are permitted.

(d) If the Secretary limits the applicability of fellowship amounts or the permissibility of allowances by reference to time, including the performance period of one or more awards, in a notice published in the **Federal Register** and the applicability period lapses, the amounts contained in the most recent notice or notices addressing each topic will remain in force as provisional amounts until the Secretary publishes a new notice but any allowances will no longer be permitted until expressly authorized in a new notice.

§ 657.6 What regulations apply to this program?

The following regulations apply to this program:

(a) The regulations in 34 CFR part 655.

(b) The regulations in this part 657.

§ 657.7 What definitions apply to this program?

The following definitions apply to this part:

(a) The definitions in 34 CFR 655.4.

(b) The following definitions, unless otherwise specified:

Approved Center means an administrative unit of an institution of higher education that has both received an allocation of fellowships under this part and a grant to operate a Center under 34 CFR part 656.

Approved Program means a concentration of educational resources and activities in modern foreign language training and area studies with the administrative capacity to administer an allocation of fellowships under this part.

Fellow means a person who receives a fellowship under this part.

Fellowship means the payment a fellow receives under this part.

Institutional payment means the portion of the fellowship used to pay the tuition associated with a fellow's training or instruction and any associated student fees that are required of such a large proportion of all students pursuing degrees at the same degree level as the fellow at the institution receiving an allocation of fellowships or at an approved language program during the fellowship period that the student who does not pay the charge is an exception.

Stipend means the portion of the fellowship paid by the grantee to a fellow in support of living expenses and the costs associated with advanced training in a modern foreign language and area studies.

Travel allowance means the portion of the fellowship used to pay for reasonable costs associated with a fellow's travel to or from a site for language instruction or training during the fellowship term, such as transportation costs or visa fees, and other reasonable costs that directly support the safety and security of fellows during the fellowship term while outside of the United States, such as overseas medical insurance or evacuation insurance.

§ 657.8 Severability.

If any provision of this part or its application to any person, act, or practice is held invalid, the remainder of the part or the application of its provisions to any other person, act, or practice will not be affected thereby.

Subpart B—How Does an Eligible Institution or a Student Apply?

§ 657.10 How does an institution submit a grant application?

The application notice published in the **Federal Register** explains how to apply for a new grant under this part.

§ 657.11 What assurances and other information must an applicant institution include in an application?

(a) Each eligible institution of higher education, including each member of a consortium of institutions of higher education, applying for an allocation of fellowships under this part must provide all of the following:

(1) An explanation of how the activities funded by the grant will reflect diverse perspectives, as defined in part 655, and a wide range of views and generate debate on world regions and international affairs.

(2) A description of how the applicant will encourage government service in areas of national need, as identified by the Secretary, as well as in areas of need in the education, business, and nonprofit sectors.

(3) An estimated number of the students at the applicant institution who currently meet the fellowship eligibility requirements.

(b) Each applicant institution must submit the Applicant Profile Form provided in the FLAS Fellowships Program application package.

(c) Each applicant institution must submit a description of the applicant's policy regarding non-discriminatory hiring practices.

(d) Each applicant institution must submit a description of the applicant's travel policy, if one exists, and if one does not exist, a statement to that effect.

(e) Each consortium of institutions of higher education applying for an award under this part must submit a group agreement (consortium agreement) that addresses the required elements in 34 CFR 75.128 and describes a rationale for the formation of the consortium.

§ 657.12 How does a student apply for a fellowship?

(a) A student must apply for a fellowship directly to an approved Center or Program at an institution of higher education that has received an allocation of fellowships according to the application procedures established by that approved Center or Program.

(b) Individual applicants must provide sufficient information to enable the approved Center or Program at the institution to determine the applicant's eligibility to receive a fellowship and whether the student should be selected according to the selection process

established by the approved Center or Program.

Subpart C—How Does the Secretary Select an Institution for an Allocation of Fellowships?

§ 657.20 How does the Secretary select institutional applications for funding?

(a) The Secretary evaluates an institutional application for an allocation of fellowships on the basis of the quality of the applicant's Center or program in modern foreign language and area studies training. The applicant's Center or program is evaluated and approved under the criteria in § 657.21.

(b) The Secretary informs applicants of the maximum possible score for each criterion in the application package or in a notice published in the **Federal Register**.

(c) The Secretary makes grant awards using a peer review process. Applications that share the same or similar area of focus, as declared by each applicant under § 657.3(a), are grouped together for purposes of review. Each application is reviewed for excellence based on the applicable criteria referenced in paragraph (a) of this section. Applications are then ranked within each group that shares the same or similar area of focus.

(d) The Secretary may determine a minimum total score required to demonstrate a sufficient degree of excellence to qualify for a grant under this part.

(e) If insufficient money is available to fund all applications demonstrating a sufficient degree of excellence as determined under paragraphs (a), (c), and (d) of this section, the Secretary considers the degree to which priorities derived from the consultation on areas of national need or established under the provisions of § 657.22 and relating to specific countries, world areas, or languages are served when selecting applications for funding and determining the amount of a grant.

§ 657.21 What selection criteria does the Secretary use to evaluate an institutional application for an allocation of fellowships?

The Secretary evaluates an institutional application for an allocation of fellowships on the basis of the criteria in this section.

(a) *Scope, personnel, and operations.* The Secretary reviews each application to determine one or more of the following:

(1) The extent to which the proposed allocation of fellowships meets the requirements in § 657.3(a).

(2) The extent to which the project director and other staff are qualified to

administer the proposed allocation of fellowships, including the degree to which they engage in ongoing professional development activities relevant to their roles.

(3) The adequacy of governance and oversight arrangements for the proposed allocation of fellowships, and, for a consortium, the extent to which the consortium agreement demonstrates commitment to a common objective.

(4) The extent to which the institution provides or will provide financial, administrative, and other support for the administration of the proposed allocation of fellowships.

(b) *Quality of curriculum and instruction.* The Secretary reviews each application to determine one or more of the following:

(1) The extent to which the applicant's curriculum provides training options for students from a variety of disciplines and professional fields, and the extent to which the curriculum and associated requirements (including language requirements) are appropriate for the applicant's area of focus and result in educational programs of high quality for students who will be served by the proposed allocation of fellowships.

(2) The extent to which the levels of instruction offered for the modern foreign languages relevant to the proposed allocation of fellowships, including intensive language instruction, and the frequency with which the courses are offered, is appropriate for advanced training in those languages.

(3) The extent to which the institution's instruction in modern foreign languages relevant to the proposed allocation of fellowships is using or developing stated performance goals for functional foreign language use, as well as the degree to which stated performance goals are met or are likely to be met by students.

(4) The extent to which instruction in modern foreign languages is integrated with area studies courses, for example, area studies courses taught in modern foreign languages.

(c) *Quality of faculty and academic resources.* The Secretary reviews each application to determine one or more of the following:

(1) The extent to which the institution employs faculty with strong language, area, and international studies credentials related to the proposed allocation of fellowships, including enough qualified tenured and tenure-track faculty with teaching and advising responsibilities to enable the applicant to carry out the instructional and

training programs in the applicant's area of focus.

(2) The extent to which the applicant provides or will provide students who will be served by the proposed allocation of fellowships with substantive academic and other relevant advising services that address compliance with fellowship requirements, the potential uses of their foreign language and area studies knowledge and training, and, as appropriate, safety while studying outside the United States.

(3) The extent to which the institution's library holdings (print and non-print, physical and digital, English and foreign language), other research collections, and relevant staff support students who will be served by the proposed allocation of fellowships.

(4) The extent to which the applicant has established formal arrangements for students to conduct research or study abroad relevant to the proposed allocation of fellowships and the extent to which these arrangements are used.

(d) *Project design and rationale.* The Secretary reviews each application to determine one or more of the following:

(1) The extent to which the proposed allocation of fellowships aligns with the applicant's educational programs, instructional resources, and language and area studies course offerings; and the ease of access to relevant instruction and training opportunities, including training from external providers.

(2) The applicant's record of placing students into post-graduate employment, education, or training in areas of national need and the applicant's efforts to increase the number of such students that go into such placement.

(3) The extent to which the allocation of fellowships will contribute to meeting national needs related to language and area studies expertise and support the generation of information for and dissemination of information to the public.

(4) The extent to which the proposed project will reflect diverse perspectives, as defined in part 655, and a wide range of views and generate debate on world regions and international affairs.

(e) *Project planning and budget.* The Secretary reviews each application to determine one or more of the following:

(1) The extent to which the process for selecting fellows is thoroughly described and of high quality, including the institution-wide fellowship recruitment and advertisement process, the student application process, the FLAS Fellowships Program selection criteria and priorities, any supplemental institutional requirements consistent

with the FLAS Fellowships Program requirements, the composition of the institution's selection committee, and the timeline for selecting and notifying students.

(2) The extent to which the institution requesting an allocation of fellowships identifies barriers, if any, to equitable access to and participation in the FLAS Fellowships Program and how the institution proposes to address these barriers.

(3) The extent to which the requested amount and proposed distribution of the allocation of fellowships is reasonable relative to the potential pool of eligible students with a demonstrated interest in relevant modern foreign language and area studies training and instruction.

(f) *Quality of project evaluation.* The Secretary reviews each application to determine one or more of the following:

(1) The extent to which the methods of evaluation are thorough, feasible, and appropriate to the proposed project.

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

(3) The qualifications, including relevant training, experience, and independence, of the evaluator(s).

§ 657.22 What priorities may the Secretary establish?

(a) The Secretary may establish one or more of the following priorities for the allocation of fellowships:

(1) Instruction, training, or research in specific languages or all languages related to specific world areas.

(2) Programs of language instruction with stated performance goals for functional foreign language use or that are developing such performance goals.

(3) Instruction, training, or research related to specific world areas.

(4) Academic terms, such as academic year or summer.

(5) Levels of language offerings.

(6) Academic disciplines, such as linguistics or sociology.

(7) Professional studies, such as business, law, or education.

(8) Instruction, training, or research in particular subjects, such as population growth and planning or international trade and business.

(9) Specific areas of national need for expertise in foreign languages and world areas derived from the consultation with Federal agencies on areas of national need.

(10) A combination of any of these categories.

(b) The Secretary announces any priorities in the application notice published in the **Federal Register**.

Subpart D—What Conditions Must Be Met by Institutional Grantees and Fellows?

§ 657.30 What are the limitations on fellowships and the use of fellowship funds?

(a) *Distance or online education.*

Fellows may satisfy course requirements through instruction offered in person or, with the Secretary's prior approval, via distance education or hybrid formats. Correspondence courses do not satisfy program course requirements.

(b) *Duration and purpose.* An approved Center or Program may award a fellowship for any of the following combinations of duration and purpose:

(1) One academic year, provided that the fellow enrolls in one language course per term and at least two area studies courses per year.

(2) One academic year for dissertation research abroad, provided that the fellow is a doctoral candidate, uses advanced training in at least one modern foreign language in the research, and has a work plan approved by the Secretary.

(3) One academic year for dissertation writing, provided that the fellow is a doctoral candidate, uses advanced training in at least one modern foreign language for the dissertation, and has a work plan approved by the Secretary.

(4) One summer session if the summer session provides the fellow with the equivalent of one academic year of instruction in a modern foreign language.

(5) Other durations approved by the Secretary to accommodate exceptional circumstances that would enable a fellow to complete an appropriate amount of coursework, dissertation writing, or dissertation research.

(c) *Internships.* The Secretary may approve the use of a fellowship to support an internship for an eligible fellow.

(d) *Program administration costs.* This program does not allow administrative costs.

(e) *Selection of fellowship recipients.* Approved Centers or Programs must select students to receive fellowships using the selection process described in the grant application submitted to the Department or using any subsequent modifications to the selection process that have been approved by the Secretary.

(f) *Study outside the United States.* Before awarding a fellowship for use outside the United States, an institution must obtain the approval of the Secretary. The Secretary may approve the use of a fellowship outside the United States if the student is—

(1) Enrolled in an educational program abroad, approved by the institution at which the student is enrolled in the United States, for study of a foreign language at an intermediate or advanced level or at the beginning level if appropriate equivalent instruction is not available in the United States; or

(2) Engaged during the academic year in research that cannot be done effectively in the United States and is affiliated with an institution of higher education or other appropriate organization in the host country.

(g) *Support from other Federal agencies.* Recipients of fellowships under this part may accept concurrent awards from other Federal agencies, such as Boren Fellowships and Critical Language Scholarships, provided that the other Federal awards are not used to pay for the same activity or cost allocated to the recipient's fellowship. Any fellow who accepts concurrent awards from other Federal agencies that may pay for the same activity or cost must disclose the receipt of such other Federal funding to the approved Center or Program that administers the allocation of fellowships at their institution.

(h) *Transfer of funds.* Institutions may not transfer funds from their allocation of fellowships to any outside entity, including other approved Centers or Programs, unless the funds are transferred directly to an instructional program provider to cover the costs for the institution's own fellows to attend training programs carried out by the instructional program provider during the academic year or a summer session. The transfer of funds to any instructional program providers located outside the United States must be pre-approved by the Secretary.

(i) *Undergraduate travel.* No funds may be expended under this part for undergraduate travel except in accordance with rules prescribed by the Secretary setting forth policies and procedures to ensure that Federal funds made available for such travel are expended as part of a formal program of supervised study.

(j) *Vacancies.* If a fellow vacates a fellowship before the end of an award period, the institution receiving the allocation of fellowships may award the balance of the fellowship to another student if—

(1) The student meets the eligibility requirements in § 657.4 and was selected in accordance with paragraph (e) of this section;

(2) The remaining fellowship period comprises at least one full academic

quarter, semester, trimester, or summer session; and

(3) The amount of available funds is sufficient to award a full fellowship for the duration described in paragraph (j)(2) of this section.

§ 657.31 What is the payment procedure for fellowships?

(a) An institution must award a stipend to fellowship recipients.

(b) An institution must pay the stipend and any other allowances to the fellow in installments during the term of the academic year fellowship.

(c) An institution may make a payment only to a fellow who is in good academic standing and is making satisfactory progress.

(d) The institution must make appropriate adjustments of any overpayment or underpayment to a fellow.

(e) Any payments made for less than the full duration of a fellowship must be

prorated to reflect the actual duration of the fellowship.

§ 657.32 Under what circumstances must an institution terminate a fellowship?

An institution must terminate a fellowship if—

(a) The fellow is not making satisfactory progress, is no longer enrolled, or is no longer in good standing at the institution; or

(b) The fellow fails to follow the plan of study in modern foreign language and area studies, for which the fellow applied, unless a revised plan of study is otherwise approved by the Secretary under this part.

§ 657.33 What are the reporting requirements for grantee institutions and for individual fellows who receive funds under this program?

Each institution of higher education, each member in a consortium of institutions of higher education, and each individual fellowship recipient under this program must submit

performance reports, in such form and at such time as required by the Secretary.

§ 657.34 What are an institution's responsibilities after the award of a grant for administering fellowship funding?

(a) An institution to which the Secretary awards a grant under this part is responsible for administering the grant in accordance with the regulations described in § 657.6.

(b) The institution is responsible for processing individual applications for fellowships in accordance with procedures described in §§ 657.12 and 657.30.

(c) The institution is responsible for disbursing funds in accordance with procedures described in § 657.31.

(d) The institution is responsible for terminating a fellowship in accordance with the procedures described in § 657.32.

[FR Doc. 2024-18856 Filed 8-22-24; 11:15 am]

BILLING CODE 4000-01-P