DEPARTMENT OF EDUCATION

34 CFR Part 700 RIN 1850-AA51

Standards for the Conduct and Evaluation of Activities Carried Out by the Office of Educational Research and Improvement (OERI)—Evaluation of Applications for Grants and Cooperative Agreements and Proposals for Contracts

AGENCY: Department of Education. **ACTION:** Notice of proposed rulemaking (NPRM).

SUMMARY: The Assistant Secretary for Educational Research and Improvement proposes to add regulations that establish standards for the evaluation of applications for grants and cooperative agreements and proposals for contracts. The development of these standards is required by the Office of Educational Research and Improvement's authorizing legislation, the "Educational Research, Development, Dissemination, and Improvement Act of 1994." The standards will ensure that such application and proposal evaluation activities meet the highest standards of professional excellence.

DATES: Comments must be received on or before July 24, 1995.

ADDRESSES: All comments concerning these proposed regulations should be addressed to Edward J. Fuentes, U.S. Department of Education, 555 New Jersey Avenue, N.W., Room 600, Washington, D.C. 20208–5530. Comments may also be sent through Internet to

stan___comments@inet.ed.gov.

A copy of any comments that concern information collection requirements should also be sent to the Office of Management and Budget at the address listed in the Paperwork Reduction Act section of this preamble.

FOR FURTHER INFORMATION CONTACT:

Edward J. Fuentes. Telephone (202) 219–1895. Internet electronic mail address: stan___questions@inet.ed.gov. Individuals who use a telecommunications device for the deaf (TDD) may call the Federal Information Relay Service (FIRS) at 1–800–877–8339 between 8 a.m. and 8 p.m., Eastern time, Monday through Friday.

SUPPLEMENTARY INFORMATION:

Background

On March 31, 1994, President Clinton signed Public Law 103–227, which includes Title IX—the "Educational Research, Development, Dissemination, and Improvement Act of 1994" (the

Act). The Act restructured the Office of Educational Research and Improvement (OERI) and endowed it with a broad mandate to conduct an array of research, development, dissemination, and improvement activities aimed at strengthening the education of all students. The Act also required the establishment of a National Educational Research Policy and Priorities Board (the Board) to work collaboratively with the Assistant Secretary to identify priorities to guide the work of OERI.

Statutory Requirements

The legislation directed the Assistant Secretary to develop, in consultation with the Board, such standards as may be necessary to govern the conduct and evaluation of all research, development, and dissemination activities carried out by the Office to ensure that such activities meet the highest standards of professional excellence. Such standards shall at a minimum—

- (a) Require that a process of open competition be used in awarding or entering into all grants, contracts, and cooperative agreements under the Act;
- (b) Require that a system of peer review be utilized by the Office for—
- (1) Reviewing and evaluating all applications for grants and cooperative agreements and proposals for those contracts which exceed \$100,000;
- (2) Evaluating and assessing the performance of all recipients of grants from and cooperative agreements and contracts with the Office; and
- (3) Reviewing and designating exemplary and promising programs in accordance with section 941(d) of the Act;

(c) Describe the general procedures which shall be used by each peer review panel in its operations;

(d)(1) Describe the procedures which shall be utilized in evaluating applications for grants and cooperative agreements and contract proposals; and

(2) Specify the criteria and factors which shall be considered in making such evaluations;

(e) Describe the procedures which shall be utilized in reviewing educational programs for designation as exemplary or promising programs; and

(f) Require that the performance of all recipients of grants from and contracts and cooperative agreements with the Office shall be periodically evaluated, both during and at the conclusion of their receipt of assistance.

The Act also requires that the Assistant Secretary review the procedures utilized by the National Institutes of Health (NIH), the National Science Foundation (NSF), and other Federal departments or agencies

engaged in research and development and actively solicit recommendations from research organizations and members of the general public. OERI has: (1) Reviewed peer review procedures used by NIH, NSF, and various program offices within the Department of Education; (2) requested recommendations from research organizations and associations; and (3) solicited public comment on standards of peer review and program evaluation activities through a general notice requesting comments on the implementation of the Office's new authorizing legislation published in the Federal Register on July 7, 1994 (59 FR 34802).

Proposed Standards

These proposed standards have been developed by the Assistant Secretary in consultation with the Board. The standards proposed in this NPRM—

- Require that a process of open competition be used in awarding or entering into all grants, cooperative agreements and contracts funded under the Act:
- Require that a system of peer review be used for reviewing and evaluating all applications for grants and cooperative agreements and proposals for those contracts which exceed \$100,000;
- Establish principles for selecting qualified peer reviewers to evaluate and review applications for grants and cooperative agreements and proposals for contracts;
- Establish general procedures to be followed by the peer reviewers when evaluating applications or proposals;
- Establish improved evaluation criteria: and
- Describe the process by which applications or proposals are selected for funding.

In accordance with section 912(i)(3)(C) of the Act, § 700.2 of the proposed regulations provides that these standards shall be binding on all activities carried out by OERI using funds appropriated under section 912(m) of the Act. The OERI activities carried out with funds appropriated pursuant to section 912(m) of the Act are specified in § 700.2(b) of the proposed regulations.

The Secretary believes that these standards will ensure that applications for grant and cooperative agreement awards and proposals for contract awards are reviewed and evaluated in a rigorous, nonpartisan manner by highly qualified experts. The standards require that each application for a grant or cooperative agreement be evaluated by at least three peer reviewers except for awards of less than \$50,000 when fewer