which they graduate from postsecondary education programs.

(Approved by the Office of Management and Budget under control number 1840-0550) (Authority: 20 U.S.C. 1070a-11 and 1070a-

§ 645.33 How does the Secretary set the amount of a grant?

- (a) The Secretary sets the amount of a grant on the basis of—
- (1) 34 CFR 75.232 and 75.233, for new
- (2) 34 CFR 75.253, for the second and subsequent years of a project period.
- (b) If the circumstances described in section 402A(b)(3) of the HEA exist, the Secretary uses the available funds to set the amount of the grant at the lesser of-
 - (1) \$190,000; or
- (2) The amount requested by the applicant.

(Authority: 20 U.S.C. 1070a-11)

§ 645.34 How long is a project period?

- (a) Except as provided in paragraph (b) of this section, a project period under the Upward Bound Program is four years.
- (b) The Secretary approves a project period of five years for applicants that score in the highest ten percent of all applicants approved for new grants under the criteria in § 645.31.

(Authority: 20 U.S.C. 1070a-11)

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

§ 645.40 What are allowable costs?

The cost principles that apply to the Upward Bound Program are in 34 CFR part 74, subpart Q. Allowable costs include the following if they are reasonably related to the objectives of the project:

- (a) In-service training of project staff.
- (b) Rental of space if space is not available at the host institution and the space rented is not owned by the host institution.
- (c) For participants in an Upward Bound residential summer component, room and board—computed on a weekly basis—not to exceed the weekly rate the host institution charges regularly enrolled students at the institution.
- (d) Room and board for those persons responsible for dormitory supervision of participants during a residential summer component.
- (e) Educational pamphlets and similar materials for distribution at workshops for the parents of participants.
- (f) Student activity fees for Upward Bound participants.
- (g) Admissions fees, transportation, Upward Bound T-shirts, and other costs necessary to participate in field trips,

- attend educational activities, visit museums, and attend other events that have as their purpose the intellectual, social, and cultural development of participants.
- (h) Costs for one project-sponsored banquet or ceremony.
- (i) Tuition costs for postsecondary credit courses at the host institution for participants in the summer bridge component.
- (j)(1) Accident insurance to cover any injuries to a project participant while participating in a project activity; and
- (2) Medical insurance and health service fees for the project participants while participating full-time in the summer component.
- (k) Courses in English language instruction for project participants with limited proficiency in English and for whom English language proficiency is necessary to succeed in postsecondary education.
- (l) Transportation costs of participants for regularly scheduled project activities.
- (m) Transportation, meals, and overnight accommodations for staff members when they are required to accompany participants in project activities such as field trips.
- (n) Purchase of computer hardware, computer software, or other equipment for student development, project administration and recordkeeping, if the applicant demonstrates to the Secretary's satisfaction that the equipment is required to meet the objectives of the project more economically or efficiently.
- (o) Fees required for college admissions applications or entrance examinations if-
- (1) A waiver of the fee is unavailable: (2) The fee is paid by the grantee to a third party on behalf of a participant. (Authority: 20 U.S.C. 1070a-11 and 1070a-

§ 645.41 What are unallowable costs?

Costs that may not be charged against a grant under this program include the

- (a) Research not directly related to the evaluation or improvement of the project.
- (b) Meals for staff except as provided in § 645.40 (d) and (m) and in paragraph (c) of this section.
- (c) Room and board for administrative and instructional staff personnel who do not have responsibility for dormitory supervision of project participants during a residential summer component unless these costs are approved by the Secretary.
- (d) Room and board for participants in Veterans Upward Bound projects.

- (e) Construction, renovation or remodeling of any facilities.
- (f) Tuition, stipends, or any other form of student financial aid for project staff beyond that provided to employees of the grantee as part of its regular fringe benefit package.

(Authority: 20 U.S.C. 1070a-11 and 1070a-

§ 645.42 What are Upward Bound stipends?

- (a) An Upward Bound project may provide stipends for all participants who participate on a full-time basis.
- (b) In order to receive the stipend, the participant must show evidence of satisfactory participation in activities of the project including-

(1) Regular attendance; and

- (2) Performance in accordance with standards established by the grantee and described in the application.
- (c) The grantee may prorate the amount of the stipend according to the number of scheduled sessions in which the student participated.

(d) The following rules govern the amounts of stipends a grantee is permitted to provide:

(1) For Regular Upward Bound projects and Upward Bound Math and Science Centers-

- (i) For the academic year component, the stipend may not exceed \$40 per month; and
- (ii) For the summer component, the stipend may not exceed \$60 per month.
- (2) For Veterans Upward Bound projects, the stipend may not exceed \$40 per month.

(Authority: 20 U.S.C. 1070a-11 and 1070a-

§ 645.43 What other requirements must a grantee meet?

- (a) Number of participants. (1) In each budget period, Regular Upward Bound projects shall serve between 50 and 150 participants and Upward Bound Math and Science projects shall serve between 50 and 75 participants.
- (2) Veterans Upward Bound projects shall serve a minimum of 120 veterans in each budget period.
- (3) The Secretary may waive the requirements of paragraphs (a)(1) and (a)(2) of this section if the applicant can demonstrate that the project will be more cost effective and consistent with the objectives of the program if a greater or lesser number of participants will be
- (b) Project director. (1) A grantee shall employ a full-time project director unless paragraph (b)(3) of this section applies.
- (2) The grantee shall give the project director sufficient authority to administer the project effectively.