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are in elementary school through the ninth grade.

(Authority: 20 U.S.C. 1068d and 1103d; 42 U.S.C. 2753)

[52 FR 45770, Dec. 1, 1987, as amended at 59 FR 61417, 61419, Nov. 30, 1994; 61 FR 60396, Nov. 27, 1996; 62 FR 63439, Nov. 28, 1997; 63 FR 52855, Oct. 1, 1998; 64 FR 58294, Oct. 28, 1999; 66 FR 34039, June 26, 2001]

# § 675.27 Nature and source of institutional share.

- (a)(1) An institution may use any resource available to it, except funds allocated under the FWS program, to pay the institutional share of FWS compensation to its students. The institutional share may be paid in the form of services and equipment, e.g., tuition, room, board, and books.
- (2) The institution shall document all amounts claimed as non-cash contributions.
- (3) Non-cash compensation may not include forgiveness of a charge assessed solely because of a student's employment under the FWS program.
- (b) An institution may not solicit or accept fees, commission, contributions, or gifts as a condition for FWS employment, nor permit any organization with which it has an employment agreement to do so.

(Approved by the Office of Management and Budget under control number 1840–0535)

(Authority: 42 U.S.C. 2754)

[52 FR 45770, Dec. 1, 1987, as amended at 53 FR 49147, Dec. 6, 1988; 59 FR 61419, Nov. 30, 1994; 62 FR 50848, Sept. 26, 1997]

# Subpart B—Job Location and Development Program

### § 675.31 Purpose.

The purpose of the Job Location and Development program is to expand off-campus job opportunities for students who are enrolled in eligible institutions of higher education and want jobs, regardless of their financial need, and to encourage students to participate in community service activities.

(Authority: 42 U.S.C. 2756)

[59 FR 61417, Nov. 30, 1994]

#### §675.32 Program description.

An institution may expend up to the lesser of \$50,000 or 10 percent of its FWS allocation and reallocation for an award year to establish or expand a program under which the institution, separately or in combination with other eligible institutions, locates and develops jobs, including community service jobs, for currently enrolled students.

(Authority: 42 U.S.C. 2756)

[59 FR 61417, Nov. 30, 1994]

#### § 675.33 Allowable costs.

- (a)(1) Allowable and unallowable costs. Except as provided in paragraph (a)(2) of this section, costs reasonably related to carrying out the programs described in §675.32 are allowable.
- (2) Costs related to the purchase, construction, or alteration of physical facilities or indirect administrative costs are not allowable.
- (b) Federal share of allowable costs. An institution may use FWS funds, as provided in §675.32, to pay up to 80 percent of allowable costs.
- (c) Institutional share of allowable costs. An institution's share of allowable costs may be in cash or in the form of services. The institution shall keep records documenting the amount and source of its share.

(Authority: 42 U.S.C. 2756)

[52 FR 45770, Dec. 1, 1987, as amended at 59 FR 61419, Nov. 30, 1994]

# § 675.34 Multi-Institutional job location and development programs.

- (a) An institution participating in the FWS program may enter into a written agreement to establish and operate job location programs for its students with other participating institutions
- (b) The agreement described in paragraph (a) of this section must—
- (1) Designate the administrator of the program; and
- (2) Specify the terms, conditions, and performance standards of the program.

#### § 675.35

(c) Each institution shall retain responsibility for the proper disbursement of the Federal funds it contributes under an agreement with other eligible institutions.

(Approved by the Office of Management and Budget under control number 1840–0535)

(Authority: 42 U.S.C. 2756)

[52 FR 45770, Dec. 1, 1987, as amended at 53 FR 49147, Dec. 6, 1988; 59 FR 61417, Nov. 30, 1994]

## § 675.35 Agreement.

- (a) A FWS participating institution, to establish or expand these programs, shall enter into an agreement with the Secretary.
  - (b) The agreement must provide—
- (1) That the institution will administer the programs in accordance with the HEA and the provisions of this part:
- (2) That the institution will submit to the Secretary an annual report on the use of the funds and an evaluation of the effectiveness of the programs in benefiting the institution's students; and
  - (3) Satisfactory assurances that—
- (i) The institution will not use program funds to locate and develop jobs at an eligible institution:
- (ii) The institution will use program funds to locate and develop jobs for students during and between periods of attendance at the institution, not upon graduation;
- (iii) The program will not displace employees or impair existing service contracts:
- (iv) Program funds can realistically be expected to generate total student wages exceeding the total amount of the Federal funds spent under this subpart: and
- (v) If the institution uses Federal funds to contract with another institution, suitable performance standards will be part of that contract.

(Approved by the Office of Management and Budget under control number 1840–0535)

(Authority: 42 U.S.C. 2756)

[52 FR 45770, Dec. 1, 1987, as amended at 53 FR 49147, Dec. 6, 1988; 59 FR 61417, 61419, Nov. 30, 1994]

#### § 675.36 Procedures and records.

Procedures and records concerning the administration of a JLD project established and operated under this subpart are governed by applicable provisions of §675.19.

(Authority: 42 U.S.C. 2756a)

#### § 675.37 Termination and suspension.

- (a) If the Secretary terminates or suspends an institution's eligibility to participate in the FWS program, the action also applies to the institution's job location and development programs.
- (b) The Secretary pays an institution's financial obligations incurred and allowable before the termination but not incurred—
  - (1) During a suspension; or
  - (2) In anticipation of a suspension.
- (c) However, the institution must cancel as many outstanding obligations as possible.

(Authority: 42 U.S.C. 2756a)

[52 FR 45770, Dec. 1, 1987, as amended at 59 FR 61419, Nov. 30, 1994]

# Subpart C—Work-Colleges Program

SOURCE: 59 FR 61418, Nov. 30, 1994, unless otherwise noted.

#### § 675.41 Special definitions.

The following definitions apply to this subpart:

- (a) Work-college: The term "work-college" means an eligible institution that—
- (1) Is a public or private nonprofit institution with a commitment to community service;
- (2) Has operated a comprehensive work-learning program for at least two years;
  - (3) Requires-
- (i) All resident students who reside on campus to participate in a comprehensive work-learning program; and
- (ii) The provision of services as an integral part of the institution's educational program and as part of the institution's educational philosophy; and