

Subsec. (e)(1)(P). Pub. L. 105-244, §304(b)(3)(A)(iv)(I), inserted "University" after "State".

Subsec. (e)(1)(Q), (R). Pub. L. 105-244, §304(b)(3)(A)(iii), (iv)(II), (III), added subpars. (Q) and (R).

Subsec. (e)(2). Pub. L. 105-244, §304(b)(3)(B), added par. (2) and struck out heading and text of former par. (2). Text read as follows: "For the purposes of this section, the term 'qualified graduate program' means a graduate or professional program that—

"(A) provides a program of instruction in the physical or natural sciences, engineering, mathematics, or other scientific discipline in which African Americans are underrepresented; and

"(B) has students enrolled in such program at the time of application for a grant under this section."

Subsec. (e)(3). Pub. L. 105-244, §304(b)(3)(B), added par. (3) and struck out heading and text of former par. (3). Text read as follows: "Graduate institutions that were awarded grants under this section prior to October 1, 1992 shall continue to receive such grant payments, regardless of the eligibility of the graduate institutions described in subparagraphs (F) through (P), until such grant period has expired or September 30, 1993, whichever is later."

Subsec. (e)(5). Pub. L. 105-244, §304(b)(3)(C), added par. (5).

Subsec. (f). Pub. L. 105-244, §304(b)(4)(A), substituted "Subject to subsection (g), of the amount appropriated" for "Of the amount appropriated" in introductory provisions.

Subsec. (f)(1). Pub. L. 105-244, §304(b)(4)(B), substituted "\$26,600,000" for "\$12,000,000" and "(A) through (P)" for "(A) through (E)".

Subsec. (f)(2), (3). Pub. L. 105-244, §304(b)(4)(C), added pars. (2) and (3) and struck out former par. (2) which read as follows: "any amount appropriated in excess of \$12,000,000 shall be available—

"(A) for the purposes of making grants, in equal amounts not to exceed \$500,000, to institutions or programs described in subparagraphs (F) through (P) of subsection (e)(1) of this section; and

"(B) secondly for the purposes of making grants to institutions or programs described in subparagraphs (A) through (P) of subsection (e)(1) of this section."

Subsec. (g). Pub. L. 105-244, §304(b)(5), added subsec. (g).

1996—Subsec. (b). Pub. L. 104-141 struck out at end "No more than two 5-year grants (for a period of not more than 10 years) may be made to any one undergraduate or postgraduate institution."

1993—Subsec. (e)(2). Pub. L. 103-208 redesignated subpar. (C) as (B) and struck out former subpar. (B) which read as follows: "has been accredited by a nationally recognized accrediting agency or association or has been approved by a nationally recognized approving agency; and".

1992—Subsec. (e). Pub. L. 102-325, §303(f)(1), substituted "Eligibility" for "Eligible professional or graduate institutions" in heading and amended text generally. Prior to amendment, text read as follows: "Independent professional or graduate institutions eligible for grants under subsection (a) of this section include—

- "(1) Morehouse School of Medicine;
- "(2) Meharry Medical School;
- "(3) Charles R. Drew Postgraduate Medical School;
- "(4) Atlanta University; and
- "(5) Tuskegee Institute School of Veterinary Medicine."

Subsec. (f). Pub. L. 102-325, §303(g), added subsec. (f). 1987—Subsec. (a)(2). Pub. L. 100-50, §2(a)(9), inserted "except that the Morehouse School of Medicine shall receive at least \$3,000,000".

Subsec. (c)(3). Pub. L. 100-50, §2(a)(10), made technical amendment to reference to section 1065 of this title to correct reference to corresponding section of original act.

EFFECTIVE DATE OF 1998 AMENDMENT

Amendment by Pub. L. 105-244 effective Oct. 1, 1998, except as otherwise provided in Pub. L. 105-244, see sec-

tion 3 of Pub. L. 105-244, set out as a note under section 1001 of this title.

EFFECTIVE DATE OF 1993 AMENDMENT

Amendment by Pub. L. 103-208 effective as if included in the Higher Education Amendments of 1992, Pub. L. 102-325, except as otherwise provided, see section 5(a) of Pub. L. 103-208, set out as a note under section 1051 of this title.

EFFECTIVE DATE OF 1992 AMENDMENT

Amendment by Pub. L. 102-325 effective Oct. 1, 1992, see section 2 of Pub. L. 102-325, set out as a note under section 1001 of this title.

EFFECTIVE DATE OF 1987 AMENDMENT

Amendment by Pub. L. 100-50 effective as if enacted as part of the Higher Education Amendments of 1986, Pub. L. 99-498, see section 27 of Pub. L. 100-50, set out as a note under section 1001 of this title.

CONGRESSIONAL FINDINGS

Pub. L. 104-141, §1, May 6, 1996, 110 Stat. 1328, provided that: "The Congress finds the following:

"(1) The Historically Black Graduate Professional Schools identified under section 326 of the Higher Education Act [20 U.S.C. 1063b] may receive grant funds if the Secretary of Education determines that such institutions make a substantial contribution to the legal, medical, dental, veterinary, or other graduate opportunity for African Americans.

"(2) The health professions schools which participate under section 326 train 50 percent of the Nation's African American physicians, 50 percent of the Nation's African American dentists, 50 percent of the Nation's African American pharmacists, and 75 percent of the Nation's African American veterinarians.

"(3) A majority of the graduates of these schools practice in poor urban and rural areas of the country providing care to many disadvantaged Americans.

"(4) The survival of these schools will contribute to the improved health status of disadvantaged persons, and of all Americans."

§ 1063c. Reporting and audit requirements

(a) Recordkeeping

Each recipient of a grant under this part shall keep such records as the Secretary shall prescribe, including records which fully disclose—

- (1) the amount and disposition by such recipient of the proceeds of such assistance;
- (2) the cost of the project or undertaking in connection with which such assistance is given or used;
- (3) the amount of that portion of the cost of the project or undertaking supplied by other sources; and
- (4) such other records as will facilitate an effective audit.

(b) Use of unexpended funds

Any funds paid to an institution and not expended or used for the purposes for which the funds were paid during the five-year period following the date of the initial grant award, may be carried over and expended during the succeeding five-year period, if such funds were obligated for a purpose for which the funds were paid during the five-year period following the date of the initial grant award.

(Pub. L. 89-329, title III, §327, as added Pub. L. 99-498, title III, §301(a), Oct. 17, 1986, 100 Stat. 1298; amended Pub. L. 100-50, §2(a)(11), June 3, 1987, 101 Stat. 335; Pub. L. 110-315, title III, §312, Aug. 14, 2008, 122 Stat. 3180.)

AMENDMENTS

2008—Subsec. (b). Pub. L. 110-315 amended subsec. (b) generally. Prior to amendment, text read as follows: “Any funds paid to an institution and not expended or used for the purposes for which the funds were paid within 10 years following the date of the initial grant awarded to an institution under part B of this subchapter shall be repaid to the Treasury of the United States.”

1987—Subsec. (a). Pub. L. 100-50 substituted “part” for “chapter” in introductory text.

EFFECTIVE DATE OF 1987 AMENDMENT

Amendment by Pub. L. 100-50 effective as if enacted as part of the Higher Education Amendments of 1986, Pub. L. 99-498, see section 27 of Pub. L. 100-50, set out as a note under section 1001 of this title.

PART C—ENDOWMENT CHALLENGE GRANTS FOR INSTITUTIONS ELIGIBLE FOR ASSISTANCE UNDER PART A OR PART B

§ 1064. Repealed. Pub. L. 102-325, title III, § 304(a)(2), July 23, 1992, 106 Stat. 476

Section, Pub. L. 89-329, title III, § 331, as added Pub. L. 99-498, title III, § 301(a), Oct. 17, 1986, 100 Stat. 1298, related to establishment of challenge grant program.

A prior section 1064, Pub. L. 89-329, title III, § 331, as added Pub. L. 96-374, title III, § 301, Oct. 3, 1980, 94 Stat. 1395; amended Pub. L. 97-35, title V, § 516(c)(2), Aug. 13, 1981, 95 Stat. 447, established a challenge grant program, prior to the general revision of this subchapter by Pub. L. 99-498.

Another prior section 1064, Pub. L. 89-329, title IV, § 404, Nov. 8, 1965, 79 Stat. 1233, related to time and manner of making application for grant, selection of recipients and conditions precedent to award, prior to the general revision of part A of subchapter IV of this chapter by Pub. L. 92-318, title I, § 131(b)(1), June 23, 1972, 86 Stat. 247.

EFFECTIVE DATE OF REPEAL

Repeal effective Oct. 1, 1992, see section 2 of Pub. L. 102-325, set out as an Effective Date of 1992 Amendment note under section 1001 of this title.

§ 1065. Endowment challenge grants**(a) Purpose; definitions**

(1) The purpose of this section is to establish a program to provide matching grants to eligible institutions in order to establish or increase endowment funds at such institutions, to provide additional incentives to promote fund raising activities by such institutions, and to foster increased independence and self-sufficiency at such institutions.

(2) For the purpose of this section:

(A) The term “endowment fund” means a fund established by State law, by an institution of higher education, or by a foundation which is exempt from taxation and is maintained for the purpose of generating income for the support of the institution, but which shall not include real estate.

(B) The term “endowment fund corpus” means an amount equal to the grant or grants awarded under this section plus an amount equal to such grant or grants provided by the institution.

(C) The term “endowment fund income” means an amount equal to the total value of the endowment fund established under this section minus the endowment fund corpus.

(D)(i) The term “eligible institution” means an institution that is an—

(I) eligible institution under part A or would be considered to be such an institution if section 1058(b)(1)(C) of this title referred to a postgraduate degree rather than a bachelor’s degree;

(II) institution eligible for assistance under part B or would be considered to be such an institution if section 1063 of this title referred to a postgraduate degree rather than a baccalaureate degree; or

(III) institution of higher education that makes a substantial contribution to postgraduate medical educational opportunities for minorities and the economically disadvantaged.

(ii) The Secretary may waive the requirements of subclauses (I) and (II) of clause (i) with respect to a postgraduate degree in the case of any institution otherwise eligible under clause (i) for an endowment challenge grant upon determining that the institution makes a substantial contribution to medical education opportunities for minorities and the economically disadvantaged.

(b) Grants authorized

(1) From sums available for this section under section 1068h of this title, the Secretary is authorized to award endowment challenge grants to eligible institutions to establish or increase an endowment fund at such institution. Such grants shall be made only to eligible institutions described in paragraph (4) whose applications have been approved pursuant to subsection (g).

(2)(A) Except as provided in subparagraph (B), no institution shall receive a grant under this section, unless such institution has deposited in its endowment fund established under this section an amount equal to the amount of such grant. The source of funds for this institutional match shall not include Federal funds or funds from an existing endowment fund.

(B) The Secretary may make a grant under this part to an eligible institution in any fiscal year if the institution—

(i) applies for a grant in an amount not exceeding \$1,000,000; and

(ii) has deposited in the eligible institution’s endowment fund established under this section an amount which is equal to ½ of the amount of such grant.

(C) An eligible institution of higher education that is awarded a grant under subparagraph (B) shall not be eligible to receive an additional grant under subparagraph (B) until 10 years after the date on which the grant period terminates.

(3) The period of a grant under this section shall be not more than 20 years. During the grant period, an institution may not withdraw or expend any of the endowment fund corpus. After the termination of the grant period, an institution may use the endowment fund corpus plus any endowment fund income for any educational purpose.

(4)(A) An institution of higher education is eligible to receive a grant under this section if it