shall designate or establish a single State agency or office (hereafter in this part referred to as the State educational planning agency) as the sole agency for carrying out or supervising the carrying out of a comprehensive statewide program of systematic planning and evaluation relating to education at all levels (including remedial education and retraining of adults), except that—

"(A) the field of higher education shall be included only if the State so elects and so provides in an application (or amended or supplemental

application) under this section, and

"(B) in the event of such election the State may designate or establish a separate State agency (hereafter in this part referred to as the State higher education planning agency) for carrying out or supervising the carrying out of such planning and evaluation program with respect to higher education.

"(2) A grant to a State may be made under this section only upon approval of an application submitted to the Commissioner through the State educational planning agency, except that, with respect to States electing to include the field of higher education as provided in clause (A) of paragraph (1) of this subsection and designating or establishing a State higher education planning agency as provided in clause (B) of paragraph (1), the Commissioner, by or pursuant to regulation—

"(A) shall authorize the submission of a combined application which includes higher education (or an amended or supplemental application filed upon the making of such election) jointly through both of the State's planning agencies involved, or the submission of a separate application (or supplement) through the State's higher educational planning agency as to so much of the State's program as relates to planning and

evaluation in the field of higher education, and

"(B) may provide for allocating, between the State's two planning agencies, the amount of any grant or grants under this section from

the State's apportionment.

"(3) An application (or amendment or supplement thereto) under this section shall set forth, in such detail as the Commissioner deems necessary, the statewide program referred to in paragraph (1) (or. in the case of a separate application or amendment or supplement with respect to the field of higher education, so much of the statewide program as relates to that field), which shall include provision for—

"(A) setting statewide educational goals and establishing priorities among these goals;

"(B) developing through analyses alternative means of achieving these goals, taking into account the resources available and the educational effectiveness of each of the alternatives (including, in the case of higher education, the resources and plans of private institutions in the State bearing upon the State's goals and plans for public higher education);

"(C) planning new programs and improvements in existing programs

based on the results of these analyses;

- "(D) developing and strengthening the capabilities of the State to conduct, on a continuous basis, objective evaluations of the effectiveness of educational programs; and
- "(E) developing and maintaining a permanent system for obtaining and collating significant information necessary to the assessment of progress toward the State's educational goals.
- "(b) Applications (including amendments and supplements thereto) for grants under this section may be approved by the Commissioner only if the application
  - r this section may be approved by the Commissioner only if the application—

    "(1) has been submitted to the chief executive of the State for review
  - and recommendations;
    "(2) sets forth, if the State has elected to include the field of higher education and has designated or established a separate State higher education planning agency, such arrangements for coordination, between the State's educational planning program in that field and the remaining educational planning program submitted by the State, as will in the Commissioner's judgment be effective;

"(3) contains satisfactory assurance—

"(A) that the assistance provided under this section, together with other available resources, will be so used for the several purposes