## DEPARTMENT OF EDUCATION

# OFFICE OF ELEMENTARY AND SECONDARY EDUCATION 

Federal Funds

## General and special funds:

Education Reform

For carrying out activities authorized by titles II, III, and IV of the Goals 2000: Educate America Act and titles II, III, and IV of the School-to-Work Opportunities Act, [\$528,400,000] \$950,000,000, of which [\$503,670,000] \$693,500,000 for the Goals 2000: Educate America Act and $\$ 200,000,000$ for the School-to-Work Opportunities Act shall become available on J uly 1, [1995] 1996, and remain available through September 30, [1996] 1997. (Department of Education Appropriations Act, 1995.)

Program and Financing (in thousands of dollars)

| Identification code 91-0500-0-1-501 | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: |
| Program by activities: Goals 2000: |  |  |  |
| 00.01 State and local education systemic improvement | 61,449 | 402,821 | 693,500 |
| 00.02 National programs ............................................... | 444 | 25,686 | 46,500 |
| 00.03 Parental assistance .......................................... | ................. | 10,000 | 10,000 |
| 00.91 Subtotal, Goals 2000 ........................................ | 61,893 | 438,507 | 750,000 |
| School-to-work opportunities: |  |  |  |
| 01.01 State grants and local partnerships ..................... | 29,000 | 131,625 | 185,000 |
| 01.02 National programs .............................................. | 150 | 14,225 | 15,000 |
| 01.91 Subtotal, School-to-work opportunities .................. | 29,150 | 145,850 | 200,000 |
| 10.00 Total obligations ............................................ | 91,043 | 584,357 | 950,000 |
| Financing: |  |  |  |
| 21.40 Unobligated balance available, start of year: Treasury balance $\qquad$ |  | -55,957 |  |
| 24.40 Unobligated balance available, end of year: Treasury balance $\qquad$ | 55,957 | ........ | ......... |
| 39.00 Budget authority ............................................ | 147,000 | 528,400 | 950,000 |
| Budget authority: |  |  |  |
| 40.00 Appropriation ................................................ | 155,000 | 528,400 | 950,000 |
| 41.00 Transferred to other accounts ................................ | -8,000 |  |  |
| 43.00 Appropriation (total) ..................................... | 147,000 | 528,400 | 950,000 |
| Relation of obligations to outlays: |  |  |  |
| 71.00 Total obligations ................................................ | 91,043 | 584,357 | 950,000 |
| 72.40 Obligated balance, start of year: Unpaid obligations: Treasury balance | ................ | 89,280 | 494,140 |
| 74.40 Obligated balance, end of year: Unpaid obligations: <br> Treasury balance $\qquad$ | -89,280 | -494,140 | -944,446 |
| 90.00 Outlays ........................................................................ | 1,763 | 179,497 | 499,694 |

Funds help States and localities undertake comprehensive systemic education reform and create State and local systems of school-to-work transition for young adults.

Goals 2000:
State and local education systemic improvement.-State grants support State and local education improvement efforts to help all students reach challenging academic standards. At least 90 percent of the funds are provided to local educational agencies.

National programs.-Funds support evaluation, research, and direct grants to local educational agencies in urban and rural areas that enroll significant proportions of students from disadvantaged backgrounds.

Parental assistance-Funds help provide parents with knowledge and skills they need to participate effectively in their children's education.
School-to-Work Opportunities.-School-to-work programs are jointly administered by the Departments of Education and Labor. An identical amount is provided for the Department of Labor to support these activities.

State grants and local partnerships.-Non-competitive grants are provided to all States to assist them in developing comprehensive statewide plans for school-to-work opportunities systems. In addition, competitive, 5-year grants are made to States that have completed and are ready to implement their school-to-work plans. Eight States received implementation grants in 1994 and a second competition will be held in 1995.

Direct grants are also provided to local communities for school-to-work systems. Thirty-six local partnerships, including 21 that are serving young people who live in urban and rural areas characterized by high-poverty, have received awards and are setting up their systems.

National programs.-These funds support evaluation, research, and development activities to provide national leadership and analysis of school-to-work opportunities initiatives.

Object Classification (in thousands of dollars)

| Identification code 91-0500-0-1-501 |  | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: | :---: |
| 25.1 | Advisory and assistance services ............................. | 150 |  |  |
| 25.2 | Other services ..................................................... | 200 | 39,911 | 61,500 |
| 41.0 | Grants, subsidies, and contributions ........................ | 90,693 | 544,446 | 888,500 |
| 99.9 | Total obligations ............................................... | 91,043 | 584,357 | 950,000 |

## Education for the Disadvantaged

For carrying out [the activities authorized by] title I of the Elementary and Secondary Education Act of 1965L, as amended by the Improving America's Schools Act as enacted into law, and by section 418A of the Higher Education Act], [\$7,232,722,000] \$7,441,292,000, of which [ $\$ 7,214,160,000] \$ 7,401,646,000$ shall become available on J uly 1, [1995] 1996 and shall remain available through September 30, [1996] 1997: Provided, That [ $\$ 6,698,356,000$ shall be available for grants to local education agencies, not less than $\$ 41,434,000$ shall be available for capital expenses, $\$ 102,024,000$ shall be available for the Even Start program, $\$ 305,475,000$ shall be available for title I migrant education activities, not less than $\$ 39,311,000$ shall be available for title I delinquent and high-risk youth education activities, no more than $\$ 27,560,000$ shall be for program improvement activities, and $\$ 8,270,000$ shall be for evaluation] $\$ 5,266,863,000$ shall be available for basic grants under section 1124, which shall be allocated without regard to section 1124(d), and that up to $\$ 3,500,000$ of these funds shall be available to the Secretary on October 1, 1995 to obtain updated local-educational-agency-leved census poverty data from the Bureau of the Census: Provided further, That no eligible local educational agency shall receive a basic grant from such funds that is less than 85 percent of the basic grant it received for fiscal year 1995: Provided further, That $\$ 663,137,000$ shall be available for concentration grants under section 1124A: Provided further, That $\$ 1,000,000,000$ shall be available for targeted grants under section 1125: Provided further, That $\$ 36,146,000$ for part E shall be used to carry out sections 1501 and 1502. (Department of Education Appropriations Act, 1995.)

General and special funds-Continued
Education for the Disadvantaged-Continued
Program and Financing (in thousands of dollars)

| Identification code $91-0900-0-1-501$ | 1994 actual | 1995 est. | 1996 est. |
| :--- | :--- | :--- | :--- |


| Program by activities: |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: |
| Direct program: |  |  |  |  |
|  | Grants to local educational agencies: |  |  |  |
| 00.01 | Basic grants | 5,642,412 | 5,969,168 | 5,266,863 |
| 00.02 | Concentration grants ................................... | 694,000 | 663,137 | 663,137 |
| 00.03 | Targeted grants |  |  | 1,000,000 |
| 00.04 | Set-aside for BIA/outlying areas ....................... |  | 66,984 | 70,000 |
| 00.05 | Capital expenses ............................................... | 47,222 | 41,434 | 20,000 |
| 00.06 | Even start .................................................... | 91,130 | 103,424 |  |
| 00.07 | State agency programs ........................................ | 433,275 | 354,849 | 350,000 |
| 00.08 | State administration | 60,712 |  |  |
| 00.09 | State school improvement | 25,933 | 27,560 | 35,146 |
| 00.10 | Demonstrations of innovative practices ................. |  |  | 25,146 |
| 00.11 | Evaluation | 13,099 | 8,270 | 11,000 |
| 00.12 | Rural technical assistance centers | 4,960 |  |  |
| 00.13 | Migrant education ............................................... | 10,385 | 10,292 |  |
| 00.91 | Total direct program ..................................... | 7,023,128 | 7,245,118 | 7,441,292 |
| 01.01 | Reimbursable program ............................................ | 15,206 | ........ |  |
| 10.00 | Total obligations ............................................... | 7,038,334 | 7,245,118 | 7,441,292 |
| Financing: |  |  |  |  |
| 17.00 | Recovery of prior year obligations ........................... | -6,233 | .................. |  |
| 21.40 | Unobligated balance available, start of year: Treasury balance $\qquad$ | -104,814 | -12,396 |  |
| 24.40 | Unobligated balance available, end of year: Treasury balance $\qquad$ | 12,396 | .... |  |
| 25.00 | Unobligated balance expiring .................................... | 21 | ................ |  |
| 39.00 | Budget authority (gross) .................................... | 6,939,703 | 7,232,722 | 7,441,292 |
| Budget authority: |  |  |  |  |
|  | Current: |  |  |  |
| 40.00 | Appropriation ................................................. | 6,924,497 | 7,232,722 | 7,441,292 |
| 68.00 | Permanent: Spending authority from offsetting collections | 15,206 | , |  |


| Relation of obligations to outlays: |  | 7,038,334 | 7,245,118 | 7,441,292 |
| :---: | :---: | :---: | :---: | :---: |
| 71.00 | Total obligations |  |  |  |
| 72.40 | Obligated balance, start of year: Unpaid obligations: <br> Treasury balance $\qquad$ | 7,409,558 | 7,556,346 | 7,769,277 |
| 74.40 | Obligated balance, end of year: Unpaid obligations: Treasury balance $\qquad$ | -7,556,346 | -7,769,277 | -8,159,491 |
| 77.00 | Adjustments in expired accounts ............................. | -24,455 | ................. |  |
| 78.00 | Adjustments in unexpired accounts ........................... | -6,233 | ................. | ..... |
| 87.00 | Outlays (gross) | 6,860,857 | 7,032,187 | 7,051,078 |
|  | djustments to gross budget authority and outlays: |  |  |  |
| 88.00 | Offsetting collections from: Federal sources ............... | -15,206 | ................. | .......... |
| 89.00 | Budget authority (net) .......................................... | 6,924,497 | 7,232,722 | 7,441,292 |
| 90.00 | Outlays (net) | 6,845,651 | 7,032,187 | 7,051,078 |

Grants to local educational agencies.-Funds are allocated through Basic, Concentration, and Targeted grant formulas for local programs that stress the achievement of challenging State education standards, support schoolwide improvement, integrate Title I assessment and curriculum with State systemic reforms, and target funds to high-poverty schools. Up to $\$ 3.5$ million in Basic Grant funds will be used to begin work needed to obtain updated poverty data at the local educational agency level from the Bureau of the Census, for use in allocating Title I funds beginning in 1999, as required by the statute.

Capital expenses.-Funds are provided by formula to States to support capital costs incurred by local educational agencies that are associated with providing educational services to eligible children attending non-public schools.

State agency migrant program.-Funds are provided by formula to States for educational services to children of migratory farmworkers and fishers. Funds and services are concentrated on children who have moved within the past 36 months.

State agency neglected and delinquent program.-Funds are provided by formula to States for educational services to children and youth under age 21 in State neglected, delinquent, or adult correction facilities. Services help institutionalized youth achieve to the same challenging standards established for students in local public schools.

State school improvement.-Funds are provided by formula to States to be used for technical assistance, incentives, and other strategies to assist schools and districts to implement Title I programs that help children meet challenging State education standards.
Demonstrations of innovative practices.-Funds are used to test and evaluate strategies and approaches for educating disadvantaged children.
Evaluation.-Funds support national activities to evaluate Title I programs and a new national assessment of Title I's effectiveness in helping schools and children achieve to challenging State education standards.
Reimbursable program.-Amounts in this activity consist of funds appropriated in other accounts for consolidated grants to the insular areas.

Object Classification (in thousands of dollars)

| Identification code 91-0900-0-1-501 |  | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: | :---: |
|  | Direct obligations: |  |  |  |
| 24.0 | Printing and reproduction | 76 | 150 | 150 |
| 25.1 | Advisory and assistance services .......................... | 7,656 | 7,245 |  |
| 25.2 | Other services | 21,885 | 16,838 | 12,000 |
| 41.0 | Grants, subsidies, and contributions ...................... | 6,993,511 | 7,220,885 | 7,429,142 |
| 99.0 | Subtotal, direct obligations ............................. | 7,023,128 | 7,245,118 | 7,441,292 |
| 99.0 | Reimbursable obligations ......................................... | 15,206 | ............ | ................ |
| 99.9 | Total obligations .......................................... | 7,038,334 | 7,245,118 | 7,441,292 |

## Impact Aid

For carrying out programs of financial assistance to federally affected schools authorized by Title VIII of the IImproving America's Schools Act as enacted into law, $\$ 728,000,000$ of which $\$ 40,000,000$, to remain available until expended, shall be for payments for heavily impacted districts under section 8004(f), 9004(f), or the relevant citation which may be designated in the Act: Provided, That should the Improving America's Schools Act not be enacted into law for fiscal year 1995 funds for impact aid shall be made available under the provisions of Public Laws 81-815 and 81-874 with amounts allocated proportionately and under the same timeframes as provided in fiscal year 1994.] Elementary and Secondary Education Act of 1965, $\$ 650,000,000$, of which $\$ 581,000,000$ shall be for basic support payments under section 8003(b), $\$ 40,000,000$ shall be for payments for children with disabilities under section $8003(\mathrm{~d}), \$ 20,000,000$, to remain available until expended, shall be for payments under section 8003(f), $\$ 2,000,000$ shall be for payments for increases in military dependents under section 8006, $\$ 5,000,000$ shall be for construction under section 8007, and $\$ 2,000,000$, to remain available until expended, shall be for facilities maintenance under section 8008. (De partment of Education Appropriations Act, 1995.)

Program and Financing (in thousands of dollars)

| Identifica | on code 91-0102-0-1-501 | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: | :---: |
| Program by activities: |  |  |  |  |
| Direct program: |  |  |  |  |
|  | Payments for federally connected children: |  |  |  |
| 00.01 | Basic support payments .... | ................. | 631,707 | 581,000 |
| 00.02 | Supplemental payments for children with disabilities $\qquad$ |  | 40,000 | 40,000 |
| 00.03 | Payments for heavily impacted districts ............ | ................. | 40,000 | 20,000 |
| 00.91 | Subtotal, payments for federally connected children $\qquad$ |  | 711,707 | 641,000 |
| 01.01 | Facilities maintenance | .................. | ..... | 2,000 |
| 02.01 | Payments for increases in military dependents ....... | ................. | ............... | 2,000 |
| 03.01 | Construction .................................................... | ................ |  | 5,000 |
| 04.01 | Payments for Federal property ............................. | ..... | 16,293 |  |


| 05.01 | Payments for "a" children ................................... | 613,445 |  |  |
| :---: | :---: | :---: | :---: | :---: |
| 05.02 | Payments for "b" children | 123,129 |  |  |
| 05.03 | Payments for Federal property | 16,293 |  |  |
| 05.04 | Payments for section 3(d)(2)(B) ............................ | 26,280 | 33,174 |  |
| 05.05 | Payments for decreases in Federal activities .......... | 116 | 194 |  |
| 05.91 | Subtotal, maintenance and operations ............... | 779,263 | 33,368 |  |
| 06.01 | Disaster assistance ............................................ | 115,869 | 89,699 |  |
| 07.01 | Construction | 8,584 | 28,593 | ................. |
| 08.00 | Total, direct program ...................................... | 903,716 | 879,660 | 650,000 |
| 09.01 | Reimbursable program .......................................... | 8,000 | ................. | ................. |
| 10.00 | Total obligations ................................................ | 911,716 | 879,660 | 650,000 |
| Financing: |  |  |  |  |
| 17.00 | Recovery of prior year obligations ............................. | -16,275 | ................ |  |
| 21.40 | Unobligated balance available, start of year: Treasury balance $\qquad$ | -125,893 | - 151,660 | ................. |
| 24.40 | Unobligated balance available, end of year: Treasury balance $\qquad$ | 151,660 | ................. | ................. |
| 39.00 | Budget authority (gross) .................................... | 921,208 | 728,000 | 650,000 |
| Budget authority: Current: |  |  |  |  |
| 40.00 | Appropriation ................................................. | 963,208 | 728,000 | 650,000 |
| 41.00 | Transferred to other accounts .......................... | -50,000 | ................. |  |
| 43.00 | Appropriation (total) $\qquad$ <br> Permanent: | 913,208 | 728,000 | 650,000 |
| 68.00 | Spending authority from offsetting collections | 8,000 | ................. |  |


| Relation of obligations to outlays: |  |  |  |
| :---: | :---: | :---: | :---: |
| 71.00 Total obligations | 911,716 | 879,660 | 650,000 |
| 72.40 Obligated balance, start of year: Unpaid obligations: <br> Treasury balance $\qquad$ | 591,861 | 642,083 | 433,436 |
| 74.40 Obligated balance, end of year: Unpaid obligations: <br> Treasury balance $\qquad$ | -642,083 | -433,436 | -378,862 |
| 77.00 Adjustments in expired accounts | - 7,267 |  |  |
| 78.00 Adjustments in unexpired accounts .......................... | -16,275 | ................. |  |
| 87.00 Outlays (gross) ................................................. | 837,952 | 1,088,307 | 704,574 |
| Adjustments to gross budget authority and outlays: |  |  |  |
| 88.00 Offsetting collections from: Federal sources ............... | -8,000 | ............. | .............. |
| 89.00 Budget authority (net) ............................................. | 913,208 | 728,000 | 650,000 |
| 90.00 Outlays (net) ......................................................... | 829,952 | 1,088,307 | 704,574 |

proportions of federally connected children and meet certain fiscal requirements.
Facilities maintenance-Funds would be used to provide emergency repairs for school facilities that are owned by the Department of Education.
Payments for increases in military dependents.-One-time payments would be made to school districts that experience substantial increases in military dependent students to enable the districts to hire additional teachers and meet other expenses.
Construction.-Formula-based payments for capital improvements would be made to school districts that meet the statutory eligibility criteria.

| Object Classification (in thousands of dollars) |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: |
| Identification code 91-0102-0-1-501 |  | 1994 actual | 1995 est. | 1996 est. |
| 32.0 | Land and structures | 8,584 | 28,593 | 2,000 |
| 41.0 | Grants, subsidies, and contributions ......................... | 895,132 | 851,067 | 648,000 |
| 99.0 | Subtotal, direct obligations ................................. | 903,716 | 879,660 | 650,000 |
| 99.9 | Total obligations .............................................. | 911,716 | 879,660 | 650,000 |

(REGO legislative proposal, not subject to PAYGO)
Program and Financing (in thousands of dollars)


To provide savings as part of the Reinventing Government initiative, Impact Aid programs would be reduced. This proposal will limit payments under section 8003 to those on behalf of children living on Indian lands and children living on Federal property whose parents are on active duty in the uniformed services. The proposal also will modify the payment formula to make it more equitable and more closely approximate the actual local costs of educating these children.

## School Improvement Programs

For carrying out school improvement activities authorized by titles II, [III,] IV, and V, [VII, VIII, IX, and XV (or under the comparable citations which may be designated)] section 7203 and titles $X$ and XIII of the Elementary and Secondary Education Act of 1965[, as amended by the Improving America's Schools Act as enacted into lawl; the Stewart B. McKinney Homeless Assistance Act; the Civil Rights Act of 1964; and title V of the Higher Education Act; [ $\$ 1,564,877,000] \$ 1,512,277,000$, of which [ $\$ 1,268,418,000]$ $\$ 1,230,000,000$ shall become available on July 1, [1995] 1996, and remain available through September 30, [1996] 1997: Provided, That [ $\$ 5,899,000$ shall be for law related education; $\$ 12,000,000$ shall be for arts education activities; $\$ 28,000,000$ shall be for dropout prevention assistance, if authorized; $\$ 4,185,000$ shall be for Ellender Fellowships; $\$ 12,000,000$ shall be for education for Native Hawaiians; $\$ 10,912,000$ shall be for foreign language assistance, if authorized; and $\$ 100,000,000$ shall be for new education infrastructure improvement grants, if authorized] of the amount appropriated, $\$ 735,000,000$ shall be for State grants for professional development under part

General and special funds-Continued
School Improvement Programs-Continued
B of title II of the Elementary and Secondary Education Act of 1965. (Department of Education Appropriations Act, 1995.)

Program and Financing (in thousands of dollars)

| Identific | tion code 91-1000-0-1-501 | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: | :---: |
| Program by activities: |  |  |  |  |
| Direct program: |  |  |  |  |
| Professional development and program innovation: |  |  |  |  |
| 00.01 | Eisenhower professional development State grants $\qquad$ |  | 320,298 | 735,000 |
| 00.02 | Eisenhower mathematics and science education State grants $\qquad$ | 250,998 |  |  |
| 00.03 | Innovative education program strategies State grants $\qquad$ |  | 347,250 |  |
| 00.04 | Chapter 2 State and local block grants | 369,500 |  |  |
| Safe and drug-free schools and communities: |  |  |  |  |
| 00.06 | National programs | 59,495 | 25,000 | 35,000 |
| 00.07 | School personnel training | 13,614 |  |  |
| 00.08 | Emergency grants | 24,552 |  |  |
| 00.09 | Safe schools |  | 20,000 |  |
| 00.10 | Education infrastructure |  | 100,000 |  |
| 00.11 | Inexpensive book distribution | 10,300 | 10,300 | 10,300 |
| 00.12 | Arts in education ........... | 8,944 | 12,000 | 10,000 |
| 00.13 | Instruction in civics, government and law ............. | 5,952 | 5,899 |  |
| 00.14 | Christa McAuliffe fellowships ... | 1,964 | 1,946 | 1,946 |
| 00.15 | Magnet schools assistance | 107,985 | 111,519 | 111,519 |
| 00.16 | Education for homeless children and youth ............ | 25,920 | 28,811 | 30,000 |
| 00.17 | Women's educational equity ...................... | 1,984 | 3,967 | 4,000 |
| 00.18 | Training and advisory services ............................. | 21,606 | 21,412 | 14,000 |
| 00.19 | Dropout prevention demonstrations ...................... | 37,730 | 28,000 |  |
| 00.20 | General assistance to the Virgin Islands ................ | 1,227 |  |  |
| 00.21 | Ellender fellowships ...... | 4,223 | 4,185 |  |
| 00.22 | Follow through ............................................... | 8,477 |  |  |
| 00.23 | Education for Native Hawaiians | 8,224 | 12,000 |  |
| 00.24 | Foreign language assistance ..... | 12,151 | 10,912 | 10,912 |
| 00.25 | Training in early childhood education and violence counseling $\qquad$ | 14,000 | 13,875 | 9,600 |
| 00.26 | Charter schools |  | 6,000 | 20,000 |
| 00.27 | Comprehensive regional assistance centers ............ |  | 44,541 | 55,000 |
| 00.28 | National commission on time and learning ............. | 305 |  |  |
| 00.91 | Total direct program ...................................... | 1,362,117 | 1,584,877 | 1,512,277 |
| 01.01 | Reimbursable program ......................................... | 464 |  |  |
| 10.00 | Total obligations ............................................... | 1,362,581 | 1,584,877 | 1,512,277 |
|  | nancing: |  |  |  |
| 17.00 | Recovery of prior year obligations | -2,009 |  |  |
| 21.40 | Unobligated balance available, start of year: Treasury balance $\qquad$ | -5,431 | -20,011 | -11 |
| 24.40 | Unobligated balance available, end of year: Treasury balance $\qquad$ | 20,011 | 11 | 11 |
| 25.00 | Unobligated balance expiring ................................ | 1,971 | ................. |  |
| 39.00 | Budget authority (gross) ..................................... | 1,377,123 | 1,564,877 | 1,512,277 |


| Budget authority: |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: |
| 40.00 | Appropriation | 1,376,659 | 1,564,877 | 1,512,271 |
|  | Permanent: |  |  |  |
| 68.00 | Spending authority from offsetting collections | 464 |  |  |
| Relation of obligations to outlays: |  |  |  |  |
| 71.00 | Total obligations ................................................... | 1,362,581 | 1,584,877 | 1,512,271 |
| 72.40 | Obligated balance, start of year: Unpaid obligations: Treasury balance $\qquad$ | 1,965,935 | 1,827,161 | 1,820,382 |
| 74.40 | Obligated balance, end of year: Unpaid obligations: Treasury balance $\qquad$ | -1,827,161 | -1,820,382 | -1,775,538 |
| 77.00 | Adjustments in expired accounts ........................... | -38,584 | ................. |  |
| 78.00 | Adjustments in unexpired accounts ........................... | -2,009 | ................. |  |
| 87.00 | Outlays (gross) ............................................... | 1,460,762 | 1,591,656 | 1,557,121 |


| Adjustments to gross budget authority and outlays: |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: |
|  | Dffsetting collections from: |  |  |  |
| 88.00 | Federal sources | -25 | ................. |  |
| 88.40 | Non-Federal sources ........................................... | -439 | ................. |  |
| 88.90 | Total, offsetting collections ............................. | -464 | .................. |  |
| 89.00 | Budget authority (net) ............................................ | 1,376,659 | 1,564,877 | 1,512,277 |

90.00 Outlays (net)
1,460,298
1,591,656
1,557,121

## Summary of Budget Authority and Outlays

[in thousands of dollars]

| Enacted/requested: | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: |
| Budget Authority .................................................................... | 1,376,659 | 1,564,877 | 1,512,277 |
| Outlays ...... | 1,460,298 | 1,591,656 | 1,557,121 |
| Rescission proposal: |  |  |  |
| Budget Authority |  | -138,084 |  |
| Outlays |  | -16,570 | -93,897 |
| Reinventing government proposal, not subject to PAYGO: |  |  |  |
| Budget Authority |  |  | -1,946 |
| Outlays | ............. | $\ldots$ | -234 |
| Total: |  |  |  |
| Budget Authority ........................................................ | 1,376,659 | 1,426,793 | 1,510,331 |
| Outlays .................................................................. | 1,460,298 | 1,575,086 | 1,462,990 |

Eisenhower professional development State grants.-Formula grants are provided to States, local districts, and institutions of higher education to support intensive, high-quality professional development in the core academic subject areas.
Safe and drug-free schools and communities.-
State grants.-F ormula grants are made to States and Outlying Areas to assist in combatting school violence and drug use by the Nation's children and youth.
National programs.-Funds support activities to promote safe and disciplined academic environments and prevent the illegal use of drugs and violence among students at all educational levels. Such activities may indude training, demonstrations, direct services to school districts with severe drug and violence problems, program evaluation, and development and dissemination of information and materials.
Other programs. -
I nexpensive book distribution.-F unds support reading motivation activities, including the distribution of free books to children.
Arts in education.-Funds support Federal leadership activities in arts education as well as the education activities of the Kennedy Center and Very Special Arts.

Christa McAuliffe fellowships.-Fellowships are awarded to outstanding teachers to enable and encourage them to continue their education or to develop educational projects and programs.
Magnet schools assistance-Grants are made to local educational agencies to establish and operate magnet school programs that are part of approved desegregation plans.
Education for homeless children and youth.-F unds are provided to States, Outlying Areas, and the Bureau of Indian Affairs to provide educational and support services that enable homeless children and youth to enroll in, attend, and achieve success in school.
Women's educational equity.-Funds support implementation of gender-equity practices at schools and colleges, as well as the development and dissemination of educational materials that promote educational equity for women and girls.
Training and advisory services.-Grants are made to regional desegregation assistance centers that provide technical assistance to school districts in desegregating public schools and developing effective methods of coping with special educational problems associated with desegregation.
Foreign language assistance-Competitive grants are made to State and local educational agencies to improve the quality of foreign language instruction for elementary and secondary school students.
Training in early childhood education and violence counsel-ing.-Grants are awarded to institutions of higher education for training students for careers in early childhood development, and in counseling of young children affected by violence and of adults working with such children.
Charter schools.-Grants are awarded to State educational agencies to support the design and initial implementation
of model charter schools. These schools are created by teachers, parents, and members of the community, and are exempt from certain local, State, and Federal regulations.

Comprenensive regional assistance centers.-F unds are provided to complete the phase-in of 15 comprehensive regional technical assistance centers that provide services to States, local educational agencies, schools, and other recipients of Federal education funds in implementing elementary and secondary education programs. These centers will consolidate and improve the services provided previously through a network of 48 categorical technical assistance centers.

Object Classification (in thousands of dollars)

| Identification code 91-1000-0-1-501 |  | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: | :---: |
| Direct obligations: |  |  |  |  |
|  | Personnel compensation: |  |  |  |
| 11.1 | Full-time permanent | 150 |  |  |
| 11.3 | Other than full-time permanent ....................... | 34 | ................ |  |
| 11.5 | Other personnel compensation ........................... | 2 | ................ | ................. |
| 11.9 | Total personnel compensation ....................... | 186 | .......... |  |
| 12.1 | Civilian personnel benefits | 49 | ......... |  |
| 21.0 | Travel and transportation of persons .................... | 24 | ................. |  |
| 23.3 | Communications, utilities, and miscellaneous charges $\qquad$ | 356 | 414 | 395 |
| 24.0 | Printing and reproduction ................................. | 2,226 | 2,859 | 2,470 |
| 25.1 | Advisory and assistance services ........................ | 5,270 | 6,130 | 5,849 |
| 25.2 | Other services | 16,777 | 19,514 | 18,620 |
| 25.3 | Purchases of goods and services from Government accounts $\qquad$ | 6,772 | 7,877 | 7,516 |
| 25.4 | Operation of GOCOs | 45 |  |  |
| 26.0 | Supplies and materials ........................................ | 13 | 15 | 14 |
| 41.0 | Grants, subsidies, and contributions ..................... | 1,330,399 | 1,548,068 | 1,477,413 |
| 99.0 | Subtotal, direct obligations ............................. | 1,362,117 | 1,584,877 | 1,512,277 |
| 99.0 | Reimbursable obligations ...................................... | 464 | ............... | ............... |
| 99.9 | Total obligations ........................................... | 1,362,581 | 1,584,877 | 1,512,277 |


| Personnel Summary |  |  |  |
| :---: | :---: | :---: | :---: |
| Identification code 91-1000-0-1-501 | 1994 actual | 1995 est. | 1996 est. |
| 1001 Total compensable workyears: Full-time equivalent employment $\qquad$ | 3 | .............. | ......... |

School Improvement Programs (REGO legislative proposal, not subject to PAYGO)

Program and Financing (in thousands of dollars)

| Identification code 91-1000-6-1-501 | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: |
| Program by activities: |  |  |  |
| 00.01 Christa McAuliffe fellowships ................................. | ................. | .................. | -1,946 |
| 10.00 Total obligations (object class 41.0) ... |  |  | -1,946 |
| Financing: |  |  |  |
| 40.00 Budget authority (appropriation) ................................ |  |  | -1,946 |
| Relation of obligations to outlays: |  |  |  |
| 71.00 Total obligations ................................................. | ................. | ................. | -1,946 |
| 72.40 Obligated balance, start of year: Unpaid obligations: <br> Treasury balance | ................. |  |  |
| 74.40 Obligated balance, end of year: Unpaid obligations: Treasury balance | ............. | ................ | 1,712 |
| 90.00 Outlays ...................................................................... | ................ | ............... | -234 |

To provide savings as part of the Administration's Reinventing Government initiative, the funding for Christa McAuliffe fellowships would be eliminated.

## [School Improvement Programs]

Violent Crime Reduction Programs
[In addition to amounts otherwise appropriated in this Act, $\$ 11,100,000$, tol For activities authorized by section 30402 of Public

Law 103-322, \$31,000,000, to remain available until expended, which shall be derived from the Violent Crime Reduction Trust Fund, for carrying out the Family and Community Endeavor Schools [Act] Grant Program. (Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1995.)

Program and Financing (in thousands of dollars)

| Identification code 91-8256-0-1-754 | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: |
| Program by activities: |  |  |  |
| 00.01 Family and Community Endeavor Schools ................... | .................. | 11,100 | 31,000 |
| 10.00 Total obligations (object class 41.0) ...................... | .................. | 11,100 | 31,000 |
| Financing: |  |  |  |
| 42.00 Budget authority (transferred from other accounts) | ................. | 11,100 | 31,000 |
| Relation of obligations to outlays: |  |  |  |
| 71.00 Total obligations ................................................. | ................ | 11,100 | 31,000 |
| 72.40 Obligated balance, start of year: Unpaid obligations: <br> Treasury balance |  |  | 9,768 |
| 74.40 Obligated balance, end of year: Unpaid obligations: Treasury balance $\qquad$ | ..... | -9,768 | -29,500 |
| 90.00 Outlays ........................................................... | .................. | 1,332 | 11,268 |

Funds for the Department of Education's portion of Crime Control Programs (Family and Community Endeavor Schools Grant Program) are transferred from the Violent Crime Reduction Trust Fund (VCRTF) as authorized by the Crime Control and Law Enforcement Act of 1994. These funds support comprehensive social services for at-risk students at selected public schools in eligible communities. Competitive grants are made to local educational agencies and communitybased organizations for programs to improve academic and social development by instituting collaborative structures that train and coordinate the efforts of teachers, administrators, social workers, guidance counselors, parents, and school volunteers.

## Chicago Litigation Settlement

Program and Financing (in thousands of dollars)

| Identification code 91-0220-0-1-501 | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: |
| Program by activities: |  |  |  |
| 10.00 Total obligations (object class 41.0) ........................ | 5,525 | 13,636 | .................. |
| Financing: |  |  |  |
| 21.40 Unobligated balance available, start of year: Treasury balance | - 19,161 | -13,636 |  |
| 24.40 Unobligated balance available, end of year: Treasury balance $\qquad$ | 13,636 | $\ldots$ | ................. |
| 39.00 Budget authority .............................................. |  |  |  |
| Relation of obligations to outlays: |  |  |  |
| 71.00 Total obligations ............................................... | 5,525 | 13,636 | .................. |
| 72.40 Obligated balance, start of year: Unpaid obligations: Treasury balance $\qquad$ | 8,382 | 4,241 | 5,454 |
| 74.40 Obligated balance, end of year: Unpaid obligations: <br> Treasury balance | -4,241 | -5,454 | -1,363 |
| 90.00 Outlays .......................................................... | 9,666 | 12,423 | 4,091 |

Funds made available under this account were reappropriated by the Supplemental Appropriations Act, 1987 (Public Law 100-71) from funds enjoined in United States of America v. Board of Education of the City of Chicago. The funds were reappropriated for the specific purpose of settling this case. The funds are used by the Chicago Board of Education to implement Project CANAL (Creating A New Approach to Learning), the project approved by the court to support the Board's desegregation efforts.

The Department of Education provides these funds to the Chicago Board of Education in annual increments upon re

## General and special funds-Continued

## Chicago Litigation Settlement-Continued

ceipt and approval of an annual plan for Project CANAL activities.

## Indian Education

For necessary expenses to carry out, to the extent not otherwise provided, title [VI] IX, Part A of the Elementary and Secondary Education Act of 1965, as amended, including, to the extent determined necessary by the Secretary, continuing projects begun under the Indian Education Act of 1988, [\$83,500,000] \$84,785,000: Provided, That $[\$ 1,735,000] \$ 1,000,000$ available pursuant to section [6203] 9123 of the Act shall remain available for obligation until September 30, [1996] 1997. (Department of the Interior and Related Agencies Appropriations Act, 1995.)

Program and Financing (in thousands of dollars)

| Identific | ation code 91-0101-0-1-501 | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: | :---: |
| Program by activities: |  |  |  |  |
| 00.01 | Grants to local educational agencies | 60,304 | 59,686 | 60,593 |
| 00.02 | Special programs for Indian children ....................... | 13,757 | 15,182 | 14,009 |
| 00.03 | Special programs for Indian adults .......................... | 4,861 | 5,420 | 5,431 |
| 00.04 | National activities .............................................. | 183 | 125 | 967 |
|  | Federal administration: |  |  |  |
| 00.05 | Office of Indian Education .................................. | 3,214 | 3,272 | 3,278 |
| 00.06 | National advisory council .................................. | 443 | 496 | 507 |
| 10.00 | Total obligations ............................................... | 82,762 | 84,181 | 84,785 |
| Financing: |  |  |  |  |
| 17.00 | Recovery of prior year obligations ............................ | -244 | ............... |  |
| 21.40 | Unobligated balance available, start of year: Treasury balance $\qquad$ | -100 | -840 |  |
| 24.40 | Unobligated balance available, end of year: Treasury balance $\qquad$ | 840 | .................. |  |
| 25.00 | Unobligated balance expiring ................................. | 242 | ......... | .......... |
| 39.00 | Budget authority .............................................. | 83,500 | 83,341 | 84,785 |
| Budget authority: |  |  |  |  |
| 40.00 | Appropriation . | 83,500 | 83,500 | 84,785 |
| 40.78 | Percentage reduction pursuant to P.L. 103-332 | $\qquad$ | -159 |  |
| 43.00 | Appropriation (total) .................................... | 83,500 | 83,341 | 84,785 |
| Relation of obligations to outlays: |  |  |  |  |
| 71.00 | Total obligations ................................................ | 82,762 | 84,181 | 84,785 |
| 72.40 | Obligated balance, start of year: Unpaid obligations: <br> Treasury balance $\qquad$ | 85,521 | 86,045 | 87,395 |
| 74.40 | Obligated balance, end of year: Unpaid obligations: Treasury balance $\qquad$ | -86,045 | -87,395 | -89,764 |
| 77.00 | Adjustments in expired accounts ........................... | -2,899 |  |  |
| 78.00 | Adjustments in unexpired accounts ........................... | -244 | ............. | .......... |
| 90.00 | Outlays ........................................................... | 79,095 | 82,831 | 82,416 |

The Indian Education program (Title IX, Part A of the Elementary and Secondary Education Act, as amended) supports the efforts of local educational agencies, State educational agencies, and Indian tribes and organizations to improve teaching and learning for the Nation's American Indian and Alaska Native children and adults.
Grants to local educational agencies.-F ormula grants support local educational agencies in their efforts to reform elementary and secondary school programs that serve Indian students, with the goal of ensuring that such programs are based on challenging State standards that are used for all students. In 1994, 1,200 formula grants were made to local educational agencies and certain tribal schools enrolling approximately 409,626 Indian students.

Special programs for Indian children.-Competitive grants are made for a Demonstration Grants program, a Fellowship program, and a Professional Development program.

Special programs for Indian adults.-Competitive grants are made to State educational agencies, local educational agencies, Indian tribes, institutions, and organizations for programs to improve educational opportunities for Indian adults.
National Activities.-Funds support research, evaluation, data collection, and related activities.
Federal administration.-Funds support the administrative expenses of the Office of Indian Education and the National Advisory Council on Indian Education.

Object Classification (in thousands of dollars)

| Identification code 91-0101-0-1-501 | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: |
| Personnel compensation: |  |  |  |
| 11.1 Full-time permanent ............................................ | 1,770 | 1,531 | 1,584 |
| 11.3 Other than full-time permanent .............................. | 141 | 151 | 156 |
| 11.5 Other personnel compensation ................................ | 19 | 35 | 38 |
| 11.9 Total personnel compensation ............................. | 1,930 | 1,717 | 1,778 |
| 12.1 Civilian personnel benefits .................................... | 395 | 325 | 352 |
| 13.0 Benefits for former personnel ................................. | 58 |  |  |
| 21.0 Travel and transportation of persons ......................... | 149 | 305 | 304 |
| 23.1 Rental payments to GSA ........................................ | 223 | 244 | 267 |
| 23.3 Communications, utilities, and miscellaneous charges | 42 | 108 | 82 |
| 24.0 Printing and reproduction ....................................... | 37 | 49 | 44 |
| 25.1 Advisory and assistance services ............................. | 143 | 135 | 152 |
| 25.2 Other services ..................................................... | 4,510 | 920 | 1,162 |
| 26.0 Supplies and materials ........................................ | 39 | 20 | 23 |
| 31.0 Equipment ........................................................... | 81 | 151 | 95 |
| 41.0 Grants, subsidies, and contributions ......................... | 75,155 | 80,207 | 80,526 |
| 99.9 Total obligations .............................................. | 82,762 | 84,181 | 84,785 |
| Personnel Summary |  |  |  |
| Identification code 91-0101-0-1-501 | 1994 actual | 1995 est. | 1996 est. |
| 1001 Total compensable workyears: Full-time equivalent employment $\qquad$ | 37 | 37 | 37 |

National Education Commission on Time and Learning
Program and Financing (in thousands of dollars)

| Identification code 91-8257-0-7-503 |  | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: | :---: |
| Program by activities: |  |  |  |  |
| 10.00 | Total obligations (object class 25.2) ........................ | 2 | $\ldots . . . . . . . .$. |  |
| Financing: |  |  |  |  |
| 21.40 | Unobligated balance available, start of year: Treasury balance $\qquad$ | -3 | -1 | .w.u.u. |
| 24.40 | Unobligated balance available, end of year: Treasury balance $\qquad$ | 1 | ................. |  |
| 25.00 | Unobligated balance expiring ................................... | ................. | 1 |  |
| 39.00 | Budget authority ................................................ | $\ldots . . . . . . . .$. | $\ldots . . . . . . . . . . . . .$. | , |


| Relation of obligations to outlays: |  | 2 | 3 |
| :---: | :---: | :---: | :---: |
| 71.00 | Total obligations. |  |  |
| 72.40 | Obligated balance, start of year: Unpaid obligations: Treasury balance $\qquad$ |  |  |
| 74.40 | Obligated balance, end of year: Unpaid obligations: Treasury balance $\qquad$ | -3 |  |
| 77.00 | Adjustments in expired accounts ............................ | ................. | -1 |
| 90.00 | Outlays .......................................................... | -1 | 2 |

The National Education Commission on Time and Learning, which ceased operating in September 1994, was authorized to accept gifts or donations for the purpose of aiding the work of the Commission.

# OFFICE OF BILINGUAL EDUCATION AND MINORITY LANGUAGES AFFAIRS 

Federal Funds

## General and special funds:

## Bilingual and Immigrant Education

For carrying out, to the extent not otherwise provided, bilingual and immigrant education activities authorized by [titles] title VII [and IX] of the Elementary and Secondary Education Act [as amended by the Improving America's Schools Act, as enacted into Iaw, and by title IV of the Carl D. Perkins Vocational and Applied Technology Education Act, $\$ 245,200,000,1$ \$300,000,000, of which [ $\$ 25,180,000] \$ 28,980,000$ shall be for training activities [under part C or] under subpart 3 of part A of title VII, [or under the comparable citation which may be designated by amendments to the authorizing legislation,] and [ $\$ 50,000,000] \$ 100,000,000$ shall be for the immigrant education program authorized by part C: Provided, That State educational agencies may use all, or any part of, their part C allocation for competitive grants to local educational agencies. (Department of Education Appropriations Act, 1995.)

Program and Financing (in thousands of dollars)

| Identification code 91-1300-0-1-501 | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: |
| Program by activities: |  |  |  |
| 00.01 Instructional services | 152,420 | 155,690 | 155,690 |
| 00.02 Support services | 12,000 | 14,330 | 15,330 |
| 00.03 Training grants | 36,430 | 25,180 | 28,980 |
| 00.04 Immigrant education ............................................. | 38,955 | 50,037 | 100,000 |
| 10.00 Total obligations ................................................ | 239,805 | 245,237 | 300,000 |
| Financing: |  |  |  |
| 21.40 Unobligated balance available, start of year: Treasury balance |  | -37 |  |
| 24.40 Unobligated balance available, end of year: Treasury balance | 37 | ................. |  |
| 25.00 Unobligated balance expiring .................................. | 313 | ............ | ................. |
| 40.00 Budget authority (appropriation) .......................... | 240,155 | 245,200 | 300,000 |
| Relation of obligations to outlays: |  |  |  |
| 71.00 Total obligations | 239,805 | 245,237 | 300,000 |
| 72.40 Obligated balance, start of year: Unpaid obligations: Treasury balance $\qquad$ | 294,987 | 295,360 | 289,178 |
| 74.40 Obligated balance, end of year: Unpaid obligations: Treasury balance $\qquad$ | -295,360 | - 289,178 | - 326,993 |
| 77.00 Adjustments in expired accounts ............................. | -17,751 | ................. | ................. |
| 90.00 Outlays ............................................................. | 221,681 | 251,419 | 262,185 |

Bilingual education.-The recent reauthorization of the Elementary and Secondary Education Act aligns bilingual education programs with the broader educational reforms underway in States and communities. These programs provide assistance to local educational agencies and other entities to develop and enhance their capacity to provide high-quality instructional programs to children and youth of limited English proficiency. Programs are designed to teach English, and to the extent possible, the students' native language, and to assist these students to achieve to the same challenging State content and performance standards expected of all children and youth. Aid is also given to train educational personnel to serve limited English proficient children, to build State capacity to improve educational services for these children, and for information dissemination, studies, and evaluations.
Immigrant education.-The immigrant education program provides grants to school districts to help finance educational services for immigrant students. Participation is limited to districts with 500 immigrant students or districts in which immigrant children represent at least 3 percent of the enrollment. Awards are made to State educational agencies, which make subgrants to eligible local educational agencies. Proposed appropriation language would permit States to distribute these funds on either a formula or discretionary grant basis.

Object Classification (in thousands of dollars)

| Identification code 91-1300-0-1-501 |  | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: | :---: |
| 24.0 | Printing and reproduction ........................................ | 4 | 4 | 4 |
| 25.1 | Advisory and assistance services .............................. | 791 | 800 | 800 |
| 25.2 | Other services | 14,671 | 1,300 | 2,000 |
| 41.0 | Grants, subsidies, and contributions ......................... | 224,339 | 243,133 | 297,196 |
| 99.9 | Total obligations ................................................. | 239,805 | 245,237 | 300,000 |

## OFFICE OF SPECIAL EDUCATION AND REHABILITATIVE SERVICES

## Federal Funds

## General and special funds:

## Special Education

[For carrying out the Individuals with Disabilities Education Act, $\$ 3,252,846,000$, of which $\$ 2,998,812,000$ shall become available for obligation on July 1, 1995, and shall remain available through September 30, 1996, of which $\$ 292,125,000$ for section 686 shall become available for obligation on September 30, 1995, and shall remain available through September 30, 1996.] (Department of Education Appropriations Act, 1995.)

Program and Financing (in thousands of dollars)

| Identific | ration code 91-0300-0-1-501 | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: | :---: |
| Program by activities: |  |  |  |  |
| Direct program: |  |  |  |  |
|  | State grants: |  |  |  |
| 00.01 | Grants to States | 2,661,206 | 2,492,296 |  |
| 00.02 | Chapter 1 handicapped program ....................... | 117,622 | 9,490 |  |
| 00.03 | Preschool grants ......................................... | 408,183 | 395,859 |  |
| 00.04 | Grants for infants and families ....................... | 228,358 | 545,279 |  |
| Special purpose funds: |  |  |  |  |
| 00.05 | Deaf-blindness ........................................... | 12,715 | 12,832 |  |
| 00.06 | Serious emotional disturbance ........................ | 4,141 | 4,147 |  |
| 00.07 | Severe disabilities | 9,295 | 10,030 |  |
| 00.08 | Early childhood education | 25,124 | 25,167 |  |
| 00.09 | Secondary and transitional services ................. | 21,959 | 23,966 |  |
| 00.10 | Postsecondary education ............................... | 8,778 | 8,839 |  |
| 00.11 | Innovation and development ............................ | 20,633 | 20,635 |  |
| 00.12 | Media and captioning services ....................... | 18,608 | 19,142 |  |
| 00.13 | Technology applications ................................... | 10,862 | 10,862 |  |
| 00.14 | Special studies | 3,854 | 4,160 |  |
| 00.15 | Personnel development .................................. | 91,278 | 91,339 |  |
| 00.16 | Parent training ........................................... | 12,734 | 13,535 |  |
| 00.17 | Clearinghouses .............................................. | 2,150 | 2,162 |  |
| 00.18 | Regional resource centers ................................ | 7,218 | 7,218 |  |
| 00.91 | Total direct program .................................... | 3,664,718 | 3,696,958 |  |
| 01.01 | Reimbursable program ......................................... | 400 | ............... |  |
| 10.00 | Total obligations ............................................... | 3,665,118 | 3,696,958 |  |
| Financing: |  |  |  |  |
| 17.00 | Recovery of prior year obligations ........................... | -8,734 | ................. |  |
| 21.40 | Unobligated balance available, start of year: Treasury balance $\qquad$ | -993,140 | -444,112 |  |
| 24.40 | Unobligated balance available, end of year: Treasury balance $\qquad$ | 444,112 | ............... |  |
| 25.00 | Unobligated balance expiring ................................... | 1,746 | .............. | ................. |
| 39.00 | Budget authority (gross) .................................... | 3,109,102 | 3,252,846 |  |


| Budget authority: |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: |
|  | Current: | 3,108,702 | 3,252,846 |  |
| 40.00 | Appropriation |  |  |  |
|  | Permanent: |  |  |  |
| 68.00 | Spending authority from offsetting collections | 400 |  |  |
| Relation of obligations to outlays: |  |  |  |  |
| 71.00 | Total obligations .. | 3,665,118 | 3,696,958 |  |
| 72.40 | Obligated balance, start of year: Unpaid obligations: Treasury balance $\qquad$ | 3,154,519 | 3,786,667 | 3,871,916 |
| 74.40 | Obligated balance, end of year: Unpaid obligations: Treasury balance $\qquad$ | -3,786,667 | -3,871,916 | -1,052,083 |
| 77.00 | Adjustments in expired accounts .......................... | -43,507 |  |  |
| 78.00 | Adjustments in unexpired accounts ....................... | -8,734 | ........... | ................ |

General and special funds-Continued
Special Education-Continued
Program and Financing (in thousands of dollars)-Continued

| Identification code 91-0300-0-1-501 |  | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: | :---: |
| 87.00 | Outlays (gross) | 2,980,729 | 3,611,709 | 2,819,833 |


| Adjustments to gross budget authority and outlays: |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: |
| 88.40 | Offsetting collections from: Non-Federal sources ......... | -400 | ................. |  |
| 89.00 | Budget authority (net) ......................................... | 3,108,702 | 3,252,846 |  |
| 90.00 | Outlays (net) ......................................................... | 2,980,328 | 3,611,709 | 2,819,833 |

Summary of Budget Authority and Outlays

| [In thousands of dollars] |  |  |  |
| :---: | :---: | :---: | :---: |
| Enacted/requested: | 1994 actual | 1995 est. | 1996 est. |
| Budget Authority ....................................................... | 3,108,702 | 3,252,846 |  |
| Outlays | 2,980,329 | 3,611,709 | 2,819,833 |
| Legislative proposal, not subject to PAYGO: |  |  |  |
| Budget Authority ........................................................... | ................ | ................. | 3,342,126 |
| Outlays .................................................................. | ................ | ......... | 334,212 |
| Total: |  |  |  |
| Budget Authority ............................................................ | 3,108,702 | 3,252,846 | 3,342,126 |
| Outlays .................................................................. | 2,980,328 | 3,611,709 | 3,154,045 |

The administration will propose legislation authorizing programs under the Individuals with Disabilities Education Act. When new authorizing legislation is enacted, resources will be requested for the Special Education account. See the "Legislative proposal, not subject to PAYGO" schedule for additional details.

## Program measures under the current program include:

| Number of children served on December 1: | 1992 actual | 1993 actual | 1994 est. |
| :---: | :---: | :---: | :---: |
| Ages 3 through 21 | 5,093,793 | 5,285,890 | 5,455,000 |
| Ages 3 through 5 | 460,119 | 495,534 | 520,000 |
| Birth through 2 ....................................................... | $\begin{array}{r} 143,392 \\ 1989-1990 \end{array}$ | 150,783 | 158,300 |
|  | actual | $\underset{\text { actual }}{\text { 1990-1991 }}$ | $\begin{gathered} \text { 1991-1992 } \\ \text { actual } \end{gathered}$ |
| Educational Environment |  |  |  |
| Children provided special education in: |  |  |  |
| Regular classrooms with or without resource rooms ........ | 3,134,738 | 3,235,128 | 3,397,326 |
| Separate classes | 1,159,007 | 1,894,012 | 1,160,943 |
| Separate schools | 240,684 | 233,012 | 219,055 |
| Residential facilities .............................................. | 40,768 | 38,095 | 40,893 |
| Status of Exiting Students |  |  |  |
| Graduated with a diploma ............................................ | 103,703 | 101,959 | 100,742 |
| Graduated through certification .................................... | 28,773 | 29,733 | 30,839 |
| Reached maximum age .............................................. | 5,698 | 4,368 | 4,337 |
| Dropped out of school ............................................... | 62,562 | 51,949 | 51,489 |
| Status unknown ............................................................ | 30,682 | 35,220 | 41,961 |

Object Classification (in thousands of dollars)

| Identification code 91-0300-0-1-501 |  | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: | :---: |
|  | Direct obligations: |  |  |  |
| 23.3 | Communications, utilities, and miscellaneous charges $\qquad$ | 4 |  |  |
| 25.1 | Advisory and assistance services ......................... | 934 | 3,400 |  |
| 25.2 | Other services | 14,107 | 12,969 |  |
| 25.3 | Purchases of goods and services from Government accounts $\qquad$ | 634 | 634 |  |
| 25.5 | Research and development contracts .................... | 2,524 | 1,196 |  |
| 41.0 | Grants, subsidies, and contributions ..................... | 3,646,515 | 3,678,759 |  |
| 99.0 | Subtotal, direct obligations ............................. | 3,664,718 | 3,696,958 |  |
| 99.0 | Reimbursable obligations ... | 400 | .............. |  |
| 99.9 | Total obligations ............................................ | 3,665,118 | 3,696,958 |  |

Special Education
(Legislative proposal, not subject to PAYGO)
Program and Financing (in thousands of dollars)

| Identific | tion code 91-0300-2-1-501 | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: | :---: |
| Program by activities: |  |  |  |  |
| State Grants: |  |  |  |  |
| 00.01 | State grants for special education ....................... | ................. | ................. | 2,772,460 |
| 00.02 | State grants for infants and families .................... | ..... | ............ | 315,632 |
| 00.03 | Program support and improvement ........................... | ................ | ............... | 254,034 |
| 10.00 | Total obligations ................................................ | .................. |  | 3,342,126 |
| Financing: |  |  |  |  |
| 40.00 | Budget authority (appropriation) ............................. | ..... | ................. | 3,342,126 |
| Relation of obligations to outlays: |  |  |  |  |
| 71.00 | Total obligations ................................................ | .................. |  | 3,342,126 |
| 72.40 | Obligated balance, start of year: Unpaid obligations: Treasury balance $\qquad$ | ................ |  |  |
| 74.40 | Obligated balance, end of year: Unpaid obligations: Treasury balance $\qquad$ | ................. | .................. | -3,007,914 |
| 90.00 | Outlays ........................................................... | .................. | .................. | 334,212 |

The resources in this schedule are proposed for later transmittal under proposed legislation to authorize programs under the Individuals with Disabilities Education Act.

State grants.
Grants for special education.-Formula grants are provided to States to assist them in providing special education and related services to children with disabilities aged 3 through 21 years old. Additional funds are provided for children aged 3 through 5.
Grants for infants and families.-Formula grants are provided to assist States to continue to implement statewide systems of coordinated, comprehensive, multi-disciplinary interagency programs to provide early intervention services to children with disabilities aged birth through 2 years old and their families.
Program support and improvement.-
These funds support a variety of research, demonstration, training, technical assistance, systems change, and other activities.

The Department is in the process of developing performance indicators that will provide information on the impact of special education and early intervention on improving results for children with disabilities.

Object Classification (in thousands of dollars)

| Identification code 91-0300-2-1-501 |  | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: | :---: |
| 25.1 | Advisory and assistance services |  |  | 3,400 |
| 25.2 | Other services |  |  | 12,969 |
| 25.3 | Purchases of goods and services from Government accounts $\qquad$ |  |  | 634 |
| 25.5 | Research and development contracts |  |  | 1,196 |
| 41.0 | Grants, subsidies, and contributions |  |  | 3,323,927 |
| 99.0 | Subtotal, direct obligations .................................. | ................. |  | 3,342,126 |
| 99.9 | Total obligations ............................................... | .................. |  | 3,342,126 |

## Rehabilitation Services and Disability Research

For carrying out, to the extent not otherwise provided, the Rehabilitation Act of 1973, the Technology-Related Assistance for Individuals with Disabilities Act, and the Helen Keller National Center Act, as amended, [ $\$ 2,393,352,000] \$ 2,456,937,000$. (Department of Education Appropriations Act, 1995.)

Program and Financing (in thousands of dollars)


| Adjustments to gross budget authority and outlays: Offsetting collections from: |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: |
| 88.00 | Federal sources | -2,072 |  |  |
| 88.40 | Non-Federal sources | -471 |  |  |
| 88.90 | Total, offsetting collections ............................. | -2,543 | ................. |  |
| 89.00 | Budget authority (net) | 2,296,936 | 2,393,352 | 2,456,937 |
| 90.00 | Outlays (net) ........................................................ | 2,244,226 | 2,554,116 | 2,514,530 |

Vocational rehabilitation State grants.-The basic State grant program provides Federal matching to State vocational rehabilitation (VR) agencies to assist individuals with physical or mental impairments to become gainfully employed. Services provided include vocational evaluation, counseling, mental and physical restoration, education, vocational training, work adjustment, job placement, and post-employment services. Priority is given to serving those with the most severe disabilities.
In 1994, there was a 14 percent increase in the total number of eligible individuals in the VR system. In that year, 32 of the 81 VR agencies could not serve all individuals determined to be eligible for the program (an increase of 8 agencies over 1993). Of those individuals whose cases were closed in 1994 after receiving VR services, about 61 percent were successfully rehabilitated and an estimated 85 percent of these individuals entered the competitive labor market or became self-employed.
The table below presents national estimates of the number of eligible individuals in the VR system (individuals being
served and eligible individuals awaiting service) and estimates of the number of individuals rehabilitated under the program.

## COMPARABLE NUMBER OF ELIGIBLE INDIVIDUALS AND INDIVIDUALS REHABILITATED

|  | 1993 |  |
| ---: | :--- | ---: | ---: |
| actual |  |  | | 1994 |
| :--- |
| preliminary |

Technical assistance to States.-Funds would support technical assistance activities of national scope and the provision of technical assistance to State VR agencies to assist them in responding to identified problems.
Client assistance State grants.-F ormula grants are made to States to provide assistance in informing and advising clients and applicants of benefits available under the Rehabilitation Act and, if requested, to pursue legal or administrative remedies to ensure the protection of the rights of individuals with disabilities.
Training.-Grants are made to States and public or nonprofit agencies and organizations, including institutions of higher education, to increase the number of skilled personnel available for employment in the field of rehabilitation.
Special demonstration programs.-Grants are made to develop innovative methods and comprehensive service programs to assist individuals with disabilities to achieve satisfactory vocational outcomes. Supported employment projects, which provide grants to expand or improve the provision of supported employment services to individuals with the most severe disabilities, are included under this activity.
Migratory workers.-Projects provide comprehensive vocational rehabilitation services to migrant or seasonal farm workers with disabilities.
Recreational programs.-Grants are made to provide individuals with disabilities with recreation and related activities to aid in their employment, mobility, independence, socialization, and community integration.
Protection and advocacy of individual rights.-Formula grants are made to protection and advocacy systems to protect the legal and human rights of individuals with disabilities.
Projects with industry.-Projects provide training in work settings to prepare individuals with disabilities for employment and career advancement in the competitive labor market.
Supported employment State grants.-Formula grants are made to assist States in developing programs with public and nonprofit organizations to provide supported employment services for individuals with the most severe disabilities who require on-going support services to enter or retain competitive employment.
Independent living.-Grants are awarded to States and nonprofit agencies for services designed to enable individuals with severe disabilities to live and function more independently.
Evaluation.-Studies are conducted to evaluate the impact and effectiveness of various programs authorized under the Rehabilitation Act. The Department is conducting a multiyear national longitudinal study of the Vocational Rehabilitation State grants program.
Helen Keller National Center for Deaf-Blind Youths and Adults.-The Center provides services to deaf-blind youths and adults and conducts research and training programs.
National Institute on Disability and Rehabilitation Re search.-The Institute carries out a comprehensive and coordinated program of rehabilitation research and related activities. Through grants and contracts, it supports research and training centers, rehabilitation engineering centers, research and demonstration projects, information dissemination and utilization projects, and training activities.

## General and special funds-Continued

Rehabilitation Services and Disability Research—Continued
Assistive technology.-Grants are made to States to support systems change and advocacy activities designed to develop and implement consumer-responsive comprehensive statewide programs of technology-related assistance for individuals of all ages with disabilities.

Object Classification (in thousands of dollars)

| Identification code 91-0301-0-1-506 |  | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: | :---: |
|  | Direct obligations: |  |  |  |
| 21.0 | Travel and transportation of persons ..... | 17 | 10 | 10 |
| 24.0 | Printing and reproduction | 46 | 100 | 50 |
| 25.1 | Advisory and assistance services | 5,016 | 5,000 | 5,000 |
| 25.2 | Other services ............. | 1,112 | 1,400 | 1,590 |
| 25.3 | Purchases of goods and services from Government accounts $\qquad$ | 1,370 | 1,200 | 1,200 |
| 25.5 | Research and development contracts ..................... | 1,126 | 1,100 | 1,100 |
| 41.0 | Grants, subsidies, and contributions ..................... | 2,289,340 | 2,388,142 | 2,447,987 |
| 99.0 | Subtotal, direct obligations .............................. | 2,298,027 | 2,396,952 | 2,456,937 |
| 99.0 | Reimbursable obligations .............. | 2,543 | ............ |  |
| 99.9 | Total obligations | 2,300,570 | 2,396,952 | 2,456,937 |

## Special Institutions for Persons With Disabilities

AMERICAN PRINTING HOUSE FOR THE BLIND
For carrying out the Act of March 3, 1879, as amended (20 U.S.C. 101 et seq.), $\$ 6,680,000$. (Department of Education Appropriations Act, 1995.)

Program and Financing (in thousands of dollars)

| Identification code 91-0600-0-1-501 | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: |
| Program by activities: |  |  |  |
| 10.00 Total obligations (object class 41.0) .......................... | 6,463 | 6,680 | 6,680 |
| Financing: |  |  |  |
| 40.00 Budget authority (appropriation) ................................ | 6,463 | 6,680 | 6,680 |
| Relation of obligations to outlays: |  |  |  |
| 71.00 Total obligations ................................................ | 6,463 | 6,680 | 6,680 |
| 72.40 Obligated balance, start of year: Unpaid obligations: Treasury balance $\qquad$ | 339 | 1,166 | 401 |
| 74.40 Obligated balance, end of year: Unpaid obligations: <br> Treasury balance | -1,166 | -401 | -401 |
| 90.00 Outlays ......................................................... | 5,636 | 7,445 | 6,680 |

The Federal appropriation supports the production of free educational materials for students below the college level who are blind, research related to developing and improving products, and advisory services to consumer organizations on the availability and use of materials. In 1994, the portion of the Federal appropriation allocated to educational materials represented approximately 40 percent of the Printing House's total sales. The full appropriation represented approximately 43 percent of the Printing House's total budget.

## NATIONAL TECHNICAL INSTITUTE FOR THE DEAF

For the National Technical Institute for the Deaf under titles I and II of the Education of the Deaf Act of 1986 (20 U.S.C. 4301 et seq.), $\$ \$ 43,191,000] \$ 43,041,000$, of which $\$ 336,000$ shall be for the endowment program as authorized under section 207 and shall be available until expended [and $\$ 150,000$ shall be for construction and shall be available until expended]: Provided, That from the total amount available, the Institute may at its discretion use additional amounts for the endowment program, to remain available until September 30, 1996. (Department of Education Appropriations Act, 1995.)

Program and Financing (in thousands of dollars)

| Identification code 91-0601-0-1-502 | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: |
| Program by activities: |  |  |  |
| 01.01 Operations ........................................................... | 41,307 | 42,705 |  |
| 02.01 Endowment grant ................................................... | 336 | 336 |  |
| 03.01 Construction ......................................................... | 193 | 150 |  |
| 04.01 Total program ...................................................... | ................. | ....... | 43,041 |
| 10.00 Total obligations (object class 41.0) ..................... | 41,836 | 43,191 | 43,041 |
| Financing: |  |  |  |
| 40.00 Budget authority (appropriation) ............................... | 41,836 | 43,191 | 43,041 |
| Relation of obligations to outlays: |  |  |  |
| 71.00 Total obligations ................................................... | 41,836 | 43,191 | 43,041 |
| 72.40 Obligated balance, start of year: Unpaid obligations: Treasury balance $\qquad$ | 3,171 | 2,778 | 5,148 |
| 74.40 Obligated balance, end of year: Unpaid obligations: <br> Treasury balance | -2,778 | -5,148 | -5,107 |
| 77.00 Adjustments in expired accounts .............................. | -129 | ................. | ............... |
| 90.00 Outlays ............................................................. | 42,100 | 40,821 | 43,082 |

This residential center provides postsecondary technical and professional education for people who are deaf to prepare them for employment, provides training, and conducts applied research into employment related aspects of deafness. In 1994, Federal appropriations represented 83 percent of the Institute's operating budget. Funds are also provided for endowment matching grants.

## GALLAUDET UNIVERSITY

For the Kendall Demonstration Elementary School, the Model Secondary School for the Deaf, and the partial support of Gallaudet University under titles I and II of the Education of the Deaf Act of 1986 (20 U.S.C. 4301 et seq.), $\$ 80,030,000$, of which $\$ 1,000,000$ shall be for the endowment program as authorized under section 207 and shall be available until expended: Provided, That from the total amount available, the University may at its discretion use additional amounts for the endowment program, to remain available until September 30, 1996. (Department of Education Appropriations Act, 1995.)

Program and Financing (in thousands of dollars)

| Identification code 91-0602-0-1-502 | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: |
| Program by activities: |  |  |  |
| 01.01 University programs ............................................... | 52,715 | 54,244 |  |
| 02.01 Pre-college programs ........................................... | 23,720 | 24,786 |  |
| 03.01 Endowment grant ............................................... | 1,000 | 1,000 |  |
| 04.01 Construction ....................................................... | 1,000 | ................ |  |
| 05.01 Total program ................................................... | .... | ............. | 80,030 |
| 10.00 Total obligations (object class 41.0) ..................... | 78,435 | 80,030 | 80,030 |
| Financing: |  |  |  |
| 40.00 Budget authority (appropriation) ................................ | 78,435 | 80,030 | 80,030 |
| Relation of obligations to outlays: |  |  |  |
| 71.00 Total obligations ................................................ | 78,435 | 80,030 | 80,030 |
| 72.40 Obligated balance, start of year: Unpaid obligations: Treasury balance $\qquad$ | 5,703 | 7,207 | 8,839 |
| 74.40 Obligated balance, end of year: Unpaid obligations: <br> Treasury balance | -7,207 | -8,839 | -8,349 |
| 90.00 Outlays ........................................................ | 76,931 | 78,398 | 80,520 |

This institution provides college preparatory, undergraduate, and continuing education programs for persons who are deaf, and graduate programs related to deafness for students who are deaf and students who are hearing. The University also conducts basic and applied research and provides public service programs for persons who are deaf and persons who work with them.

Gallaudet operates two pre-college programs on the main campus of the University. The Kendall Demonstration Ele-
mentary School serves students who are deaf from infancy through age 15, and the Model Secondary School for the Deaf serves students who are deaf of high school age. Both schools also develop and disseminate information on effective educational techniques and strategies for teachers and professionals working with students who are deaf or hard of hearing.

In 1994, the Federal appropriation represented 65.4 percent of the University's operating budget, excluding Federal financial aid, vocational rehabilitation, and competitive grants, and 98.7 percent of the operating budgets of the related elementary and secondary schools. Funds are also requested for endowment matching grants.

## OFFICE OF VOCATIONAL AND ADULT EDUCATION

## Federal Funds

## General and special funds:

## Vocational and Adult Education

[For carrying out, to the extent not otherwise provided, the Carl D. Perkins Vocational and Applied Technology Education Act, the Adult Education Act, the National Literacy Act of 1991, and the Stewart B. McKinney Homeless Assistance Act, \$1,473,175,000, of which $\$ 1,470,256,000$ shall become available on July 1, 1995 and shall remain available through September 30, 1996: Provided, That of the amounts made available under the Carl D. Perkins Vocational and Applied Technology Education Act, \$400,000 of the amount available for Tech-Prep shall be for evaluation of the program and $\$ 34,535,000$ shall be for national programs under title IV, including $\$ 7,851,000$ for research, of which $\$ 6,000,000$ shall be for the National Center for Research on Vocational Education; $\$ 20,684,000$ for demonstrations, notwithstanding section $411(\mathrm{~b})$; and $\$ 6,000,000$ for data systems: Provided further, That of the amounts made available under the Adult Education Act, $\$ 3,900,000$ shall be for national programs under section 383, and $\$ 4,869,000$ shall be for the National Institute for Literacy under section 384.] (Department of Education Appropriations Act, 1995.)

Program and Financing (in thousands of dollars)

| Identification code $91-0400-0-1-501$ |  | 1994 actual | 1995 est. | 1996 est. |
| :--- | :--- | ---: | ---: | ---: | ---: |
| Program by activities: |  |  |  |  |
| Vocational education: |  |  |  |  |
|  | Annual appropriations: |  |  |  |
|  | Basic grants: |  |  |  |


| 07.03 | National Institute for Literacy .......................... | 5,624 | 9,628 |  |
| :---: | :---: | :---: | :---: | :---: |
| 07.04 | State literacy resource centers ............................. | 8,921 | 10,676 |  |
| 07.05 | Workplace literacy partnerships | 19,017 | 37,516 |  |
| 07.06 | Literacy training for homeless adults .................... | 9,576 | 19,082 |  |
| 07.07 | Literacy programs for prisoners ............................ | 4,910 | 10,200 |  |
| 07.91 | Total, adult education .................................... | 306,351 | 346,975 |  |
| 08.00 | Total, direct program | 1,455,279 | 1,602,830 | 7,148 |
| 09.01 | Reimbursable program | 906 | 52 |  |
| 10.00 | Total obligations ............................................... | 1,456,185 | 1,602,882 | 7,148 |
| Financing: |  |  |  |  |
| 17.00 | Recovery of prior year obligations | -585 |  |  |
| 21.40 | Unobligated balance available, start of year: Treasury balance $\qquad$ | -89,262 | -122,570 | -11 |
| 24.40 | Unobligated balance available, end of year: Treasury balance $\qquad$ | 122,570 | 11 | 11 |
| 25.00 | Unobligated balance expiring ................................... | 381 | ................ |  |
| 39.00 | Budget authority (gross) ...................................... | 1,489,289 | 1,480,323 | 7,148 |


| Budget authority: |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: |
| Current: |  |  |  |  |
| 40.00 | Appropriation | 1,481,183 | 1,473,175 |  |
| Permanent: |  |  |  |  |
| 60.00 | Appropriation | 7,148 | 7,148 | 7,148 |
| 68.00 | Spending authority from offsetting collections | 958 | ................. | .................. |
| Relation of obligations to outlays: |  |  |  |  |
| 71.00 | Total obligations | 1,456,185 | 1,602,882 | 7,148 |
| 72.40 | Obligated balance, start of year: Unpaid obligations: Treasury balance $\qquad$ | 1,571,446 | 1,681,559 | 1,735,347 |
| 74.40 | Obligated balance, end of year: Unpaid obligations: <br> Treasury balance $\qquad$ | -1,681,559 | -1,735,347 | - 355,670 |
| 77.00 | Adjustments in expired accounts ............................ | -3,767 |  |  |
| 78.00 | Adjustments in unexpired accounts ......................... | -585 | ................. |  |
| 87.00 | Outlays (gross) | 1,341,721 | 1,549,094 | 1,386,825 |

## General and special funds-Continued

## Vocational and Adult Education-Continued

| b. National programs | 8,837 | 8,769 |  |
| :---: | :---: | :---: | :---: |
| c. State literacy resource centers | 7,857 | 7,787 |  |
| d. Workplace literacy partnerships | 18,906 | 18,736 |  |
| e. Literacy training for homeless adults ........................ | 9,584 | 9,498 |  |
| f. Literacy programs for prisoners ........... | 5,100 | 5,100 |  |
| Total | 1,488,331 | 1,480,323 | 1,668,575 |

Vocational and adult education.-The Administration is proposing to restructure education and training activities, induding those under the Carl D. Perkins Vocational and Applied Technology Education Act, the Adult Education Act, and the National Literacy Act. The new system will emphasize individual choice and maximum State flexibility. See the "Legislative proposal, not subject to PAYGO" schedule for additional details.

Object Classification (in thousands of dollars)

| Identification code 91-0400-0-1-501 |  | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: | :---: |
| Office of Vocational and Adult Education |  |  |  |  |
| Direct obligations: |  |  |  |  |
| 11.1 | Personnel compensation: Full-time permanent ............ | 635 | 699 |  |
| 12.1 | Civilian personnel benefits | 112 | 123 |  |
| 21.0 | Travel and transportation of persons | 77 | 85 |  |
| 22.0 | Transportation of things ..................... | 13 | 14 |  |
| 23.2 | Rental payments to others | 240 | 240 |  |
| 23.3 | Communications, utilities, and miscellaneous charges | 47 | 52 |  |
| 24.0 | Printing and reproduction ..................................... | 55 | 61 |  |
| 25.1 | Advisory and assistance services ............................ | 2,721 | 2,994 |  |
| 25.2 | Other services | 2,343 | 2,754 |  |
| 25.3 | Purchases of goods and services from Government accounts $\qquad$ | 1,469 | 1,616 |  |
| 25.4 | Operation of GOCOs ................................................ | 5 | 6 |  |
| 25.5 | Research and development contracts ....................... | 2,406 | 2,647 |  |
| 26.0 | Supplies and materials ........................................ | 37 | 41 |  |
| 31.0 | Equipment .............................................................. | 48 | 53 |  |
| 41.0 | Grants, subsidies, and contributions ......................... | 1,440,111 | 1,585,445 | 7,148 |
| 99.0 | Subtotal, direct obligations $\qquad$ Allocation to Employment and Training Administration Allocation Account- Direct Obligations: | 1,450,319 | 1,596,830 | 7,148 |
| 25.2 | Other services ..................................................... | 1,240 | 1,500 |  |
| 41.0 | Grants, subsidies, and contributions ........................ | 3,720 | 4,500 | ................. |
| 99.0 | Subtotal, allocation account- direct obligations ..... | 4,960 | 6,000 |  |
| 99.9 | Total obligations ................................................ | 1,456,185 | 1,602,882 | 7,148 |



## Vocational and Adult Education

(Legislative proposal, not subject to PAYGO)
Program and Financing (in thousands of dollars)


| 72.40 | Obligated balance, start of year: Unpaid obligations: Treasury balance $\qquad$ |  |
| :---: | :---: | :---: |
| 74.40 | Obligated balance, end of year: Unpaid obligations: Treasury balance $\qquad$ | -1,475,920 |
| 90.00 | Outlays | 192,655 |

The resources in this schedule are proposed for later transmittal under proposed legislation to restructure the Carl D. Perkins Vocational and Applied Technology Education Act, the Adult Education Act, the National Literacy Act, and elements of the J ob Training Partnership Act (JTPA) as part of a broad framework for enabling lifelong learning and economic security for all Americans. See Chapter 1 of the FY 1996 Budget for a more complete discussion of this initiative. Vocational education.-The proposal would consolidate State formula grant programs into a single grant for States, Territories, and Indian programs focused on preparing inschool youth for good jobs and further education and training. The new grant program would support State and local reforms begun under the School-to-Work Opportunities Act. In addition, a national program authority would support research, development, evaluations, demonstrations, other initiatives, and tribally controlled postsecondary vocational institutions. States would be strongly encouraged to devise integrated programs combining those funds and other resources under JTPA, the Elementary and Secondary Education act, and other laws.
Adult education and family literacy.-To provide adults with opportunities to succeed in their roles as parents, citizens, and learners, the Administration proposes to consolidate adult education programs, Even Start, Library Literacy, and related JTPA programs into a unified State grant. Each State would have the flexibility to support family literacy, adult secondary education, adult basic education, and English-as-a-second language programs, according to its needs and objectives. Adults could access information on literacy programs directly from service providers or through one-stop career centers. The Department of Education would support State efforts through a new national programs authority that would focus on improving quality, the use of interactive technology and distance learning, professional development for volunteers and teachers, and capacity building.

Object Classification (in thousands of dollars)

| Identification code 91-0400-2-1-501 |  | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: | :---: |
| 11.1 | Personnel compensation: Full-time permanent ............. |  |  | 725 |
| 12.1 | Civilian personnel benefits ...................................... |  |  | 127 |
| 21.0 | Travel and transportation of persons ......................... |  |  | 50 |
| 22.0 | Transportation of things |  |  | 2 |
| 23.2 | Rental payments to others ....................................... |  |  | 240 |
| 23.3 | Communications, utilities, and miscellaneous charges |  |  | 28 |
| 24.0 | Printing and reproduction ........................................ |  |  | 32 |
| 25.1 | Advisory and assistance services .............................. |  |  | 32 |
| 25.2 | Other services ....................................................... |  |  | 118 |
| 25.3 | Purchases of goods and services from Government accounts $\qquad$ |  |  | 34 |
| 26.0 | Supplies and materials .......................................... |  |  | 34 |
| 31.0 | Equipment ........................................................... |  |  | 26 |
| 41.0 | Grants, subsidies, and contributions ......................... | ..... | ................. | 1,667,127 |
| 99.9 | Total obligations ................................................. |  | ............... | 1,668,575 |

Personnel Summary

| Identification code $91-0400-2-1-501$ | 1994 actual | 1995 est. | 1996 est. |
| :--- | :--- | :--- | :--- | ---: |
| 1001 | Total compensable workyears: <br> employment ........................................................................................ | 8 |  |


| Vocational and Adult Education (Legislative proposal, subject to PAYGO) Program and Financing (in thousands of dollars) |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: |
| Identifi | cation code 91-0400-4-1-501 | 1994 actual | 1995 est. | 1996 est. |
| Program by activities: |  |  |  |  |
|  | Permanent appropriation: |  |  |  |
| 00.01 | Basic grants .................................................. | ................. | ................ | -6,848 |
| 00.02 | Indian and Hawaiian natives set-aside ................. | .................. |  | -107 |
| 00.03 | Territorial set-aside ............................................. | .... | .... | -14 |
| 00.04 | National programs ........................................... | ................. | .............. | -179 |
| 10.00 | Total obligations (object class 41.0) ..................... |  |  | -7,148 |
| Financing: |  |  |  |  |
| 60.00 | Budget authority (appropriation) ............................. | ................. | $\ldots . . . . . . . . .$. | -7,148 |
| Relation of obligations to outlays: |  |  |  |  |
| 71.00 | Total obligations ...................... |  |  | -7,148 |
| 72.40 | Obligated balance, start of year: Unpaid obligations: Treasury balance $\qquad$ | ............. | ............ |  |
| 74.40 | Obligated balance, end of year: Unpaid obligations: Treasury balance $\qquad$ | ....... | $\ldots$ | 6,290 |
| 90.00 | Outlays .......................................................... | ................. | .............. | -858 |

The Smith-Hughes Act authorizes a permanent appropriation for four vocational education activities: Basic Grants, the Indian and Hawaiian Natives set-aside, the Territorial set-aside, and National Programs. The permanent appropriation is proposed for repeal, and an equivalent level of funding is included in the Administration's proposal to reauthorize and restructure the Carl D. Perkins Vocational and Applied Technology Education Act.

## OFFICE OF POSTSECONDARY EDUCATION

## General and special funds:

## Student Financial Assistance

For carrying out subparts 1, 3, and 4 of part A, and parts C, E, and H of title IV of the Higher Education Act of 1965, as amended, [including, notwithstanding section 401(a)(1), not to exceed 3,930,000 Pell Grant recipients in award year 1994-1995, \$7,702,970,000] $\$ 7,659,415,000$, which shall remain available through September 30, [1996] 1997, and of which [ $\$ 63,375,000] \$ 31,375,000$ shall be for State Student Incentive Grants under subpart 4 of part A.
The maximum Pell Grant for which a student shall be eligible during award year [1995-1996] 1996-1997 shall be [ $\$ 2,340$ ] $\$ 2,500$ : Provided, That notwithstanding section $401(\mathrm{~g})$ of the Act, as amended, if the Secretary determines, prior to publication of the payment schedule for award year [1995-1996] 1996-1997, that the [ $\$ 6,247,180,000] \$ 6,225,125,000$ included within this appropriation for Pell Grant awards for award year [1995-1996] 1996-1997, and any funds available from the FY [1994] 1995 appropriation for Pell Grant awards, are insufficient to satisfy fully all such awards for which students are eligible, as calculated under section 401(b) of the Act, the amount paid for each such award shall be reduced by either a fixed or variable percentage, or by a fixed dollar amount, as determined in accordance with a schedule of reductions established by the Secretary for this purpose. (Department of Education Appropriations Act, 1995.)

Program and Financing (in thousands of dollars)

| Identification code 91-0200-0-1-502 |  | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: | :---: |
| Program by activities: |  |  |  |  |
| Pell grants: ${ }^{1}$ |  |  |  |  |
| 01.01 | Current academic year program ${ }^{1}$........................ | 3,587,171 | 3,875,214 | 3,859,578 |
| 01.02 | Prior academic year program .............................. | 2,837,704 | 3,074,129 | 2,375,131 |
| 01.91 | Subtotal, Pell grants .................................... | 6,424,875 | 6,949,343 | 6,234,709 |
| Campus-based aid: |  |  |  |  |
| 03.01 | Work-study ...................................................... | 620,878 | 616,508 | 616,508 |
| 03.02 | Supplemental educational opportunity grants .......... | 585,701 | 583,407 | 583,407 |


| 03.03 | Perkins loans: Federal capital contributions | 162,413 | 158,000 | 158,000 |
| :---: | :---: | :---: | :---: | :---: |
| 03.04 | Perkins loans: Teacher cancellations ................ | 15,000 | 14,500 | 20,000 |
| 03.91 | Subtotal, Campus-based aid | 1,383,992 | 1,372,415 | 1,377,915 |
| 04.01 | State student incentive grants ................................. | 72,455 | 63,375 | 31,375 |
| 05.01 | State postsecondary review program ... | 9,362 | 20,000 | 25,000 |
| 10.00 | Total obligations (object class 41.0) | 7,890,684 | 8,405,133 | 7,668,999 |
| Financing: |  |  |  |  |
| 17.00 | Recovery of prior year obligations.. | -96,107 | ................. |  |
| 21.40 | Unobligated balance available, start of year: Treasury balance $\qquad$ |  | -3,074,129 | -2,375,131 |
| 24.40 | Unobligated balance available, end of year: Treasury balance $\qquad$ | -2,765,473 | 2,375,131 | 2,365,547 |
| 25.00 | Unobligated balance expiring ................................. | $\begin{array}{r} 3,074,129 \\ 92 \end{array}$ | ................. |  |
| 39.00 | Budget authority .. | 8,103,325 | 7,706,135 | 7,659,415 |
| Budget authority: Current: |  |  |  |  |
| 40.00 | Appropriation ........ | 8,100,160 | 7,702,970 | 7,659,415 |
| 62.00 | Permanent: | 3,165 | 3,165 |  |
| Relation of obligations to outlays: |  |  |  |  |
| 71.00 | Total obligations .................................................... | 7,890,684 | 8,405,133 | 7,668,999 |
| 72.40 | Obligated balance, start of year: Unpaid obligations: Treasury balance $\qquad$ | 2,681,299 | 3,333,920 | 4,477,711 |
| 74.40 | Obligated balance, end of year: Unpaid obligations: Treasury balance $\qquad$ |  | $-4,477,711$...............$~$ | -4,488,454 |
| 77.00 | Adjustments in expired accounts ............................. | $\begin{array}{r} -23,920 \\ -96,107 \end{array}$ |  |  |
| 78.00 | Adjustments in unexpired accounts .... |  | .................. | ................. |
| 90.00 | Outlays ........................................................... | 7,118,034 | 7,261,342 | 7,658,256 |

${ }^{1}$ Includes obligations from budget authority in the amount of $\$ 3,165$ thousand in 1994 and 1995 for benefits for participants in Operation Desert Shield/Desert Storm appropriated by transfer from the Department of Defense pursuant to P.L. 102-27, the Dire Emergency Supplemental Appropriations Act of 1991.
${ }^{2}$ Represents budget authority for benefits for participants in Operation Desert Shield/Desert Storm appropriated by transfer from the Department of Defense pursuant to P.L. 102-27, the Dire Emergency Supplemental Appropriations Act of 1991.

| Summary of Budget Authority and Outlays |  |  |  |
| :---: | :---: | :---: | :---: |
| [in thousands of dollars] |  |  |  |
| Enacted/requested: | 1994 actual | 1995 est. | 1996 est. |
| Budget Authority | 8,103,325 | 7,706,135 | 7,659,415 |
| Outlays | 7,118,034 | 7,261,342 | 7,658,256 |
| Supplemental proposal: |  |  |  |
| Budget Authority |  |  | ................. |
| Outlays |  | 3,500 | .................. |
| Legislative proposal, not subject to PAYGO: |  |  |  |
| Budget Authority ........................................................... | ... | ................ | - 1,744,988 |
| Outlays ........................................................................ |  | ............... | - 348,998 |
| Total: |  |  |  |
| Budget Authority ............................................................ | 8,103,325 | 7,706,135 | 5,914,427 |
| Outlays ....................................................................... | 7,118,034 | 7,264,842 | 7,309,258 |

Status of Direct Loans (in thousands of dollars)

| Identification code 91-0200-0-1-502 |  | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: | :---: |
| Cumulative balance of direct loans outstanding: |  |  |  |  |
| 1210 | Outstanding, start of year ......................... | 318,808 | 322,740 | 333,630 |
| 1251 | Repayments: Repayments and prepayments | -28,019 | -31,000 | -30,500 |
| 1262 | Adjustments: Discount on loan asset sales to the public or discounted $\qquad$ | -7,310 | -22,400 | -23,400 |
| 1264 | Write-offs for default: Other adjustments, net ${ }^{1}$........... | 39,261 | 64,290 | 62,500 |
| 1290 | Outstanding, end of year .................................... | 322,740 | 333,630 | 342,230 |

[^0]Federal Pell Grants.—Undergraduate students establish eligibility for these grants under award and need determination rules set out in the authorizing statute and the annual appropriation act. The maximum award for FY 1996 would be \$2,500.

The Budget and Legislative program proposes to shift the equivalent amount of Pell Grant resources currently being received by students enrolled in postsecondary education and training programs that do not result in the award of a Bachelor's or an Associate's Degree to the U.S. Department of

General and special funds-Continued

## Student Financial Assistance-Continued

Labor for "Skill grants" for comparable purposes in a reformed education and training system. See the "Legislative proposal" schedules for the Training and Employment Services account under the Department of Labor and Chapter 1 of the FY 1996 Budget for a more complete discussion.

Federal Work-Study.-Federal grants are awarded by formula to qualifying institutions, which develop and provide part-time jobs for eligible undergraduate and graduate students with demonstrated need. Federal grants in most cases pay 75 percent of a student's hourly earnings, with the remainder paid by the employer. Hourly earnings must not be less than the Federal minimum wage. Institutions are required to spend at least 5 percent of their Work-Study allocation to pay students working in community service jobs.

Federal Supplemental Educational Opportunity Grants.Federal funds are awarded by formula to qualifying institutions, which use these funds at their discretion to award grants to undergraduate students, with priority for Pell Grant recipients and others with exceptional need. The Federal share of such grants may not exceed 75 percent of the total grant.

Perkins Loan Program. Schools award loans from revolving funds, composed of Federal Capital Contributions, collections on prior year loans, and Federal payments for loan cancellations granted in exchange for specified types of teaching, military or public service.

Perkins Loans-Cancellations.-Under the Perkins Loan (formerly national direct student loan (NDSL)) cancellation program, institutional revolving funds are reimbursed for indebtedness cancelled as a result of a borrower engaging in certain public service occupations.
The Higher Education Amendments of 1992 broadened statutory cancellations in the Perkins Loan program. This has resulted in a progressive increase in the usage of cancellations provisions by Perkins Loan borrowers in recent years.
State Student Incentive Grants.-Federal matching funds are awarded to assist States in providing programs of grants and work-study assistance to needy students attending qualifying institutions. States must match these Federal funds on at least a dollar for dollar basis as well as comply with statutory maintenance of effort requirements. State awards to students may not exceed $\$ 5,000$ per academic year.

State postsecondary review program.-This program supports State review of postsecondary institutions as part of the process of determining institutional eligibility for Federal student financial assistance.

The following tables display student aid funds available, the number of aid awards, average awards, and the unduplicated count of students receiving awards, based on current law and legislation proposed for later transmittal. The tables include aid under the Federal Family Education Loan (FFEL) program, formerly the Guaranteed Student Loan (GSL) program, the William D. Ford Direct Loan (DL) Program, and the proposed Skill grant program, as well as under programs in this account. The tables include the effects of matching funds wherever applicable. Perkins loan amounts also reflect available capital in institutional revolving funds, including loan collection and loan cancellation receipts. FFEL and DL amounts reflect the capital actually loaned, not the Federal costs of those loans.

AID FUNDS AVAILABLE FOR POSTSECONDARY EDUCATION AND TRAINING

| [in millions of dollars] |  |  |  |
| :---: | :---: | :---: | :---: |
| Department of Education: | 1994 actual | 1995 est. | 1996 est. |
| Pell Grants for AAs and above ${ }^{1}$............. | 4,044 | 4,150 | 4,838 |
| Student loans: |  |  |  |
| Guaranteed student loans: |  |  |  |
| Stafford loans .................................................................. | 13,679 | 11,211 | 5,848 |
| Unsubsidized Stafford Ioans ..................................... | 4,410 | 4,702 | 2,450 |


| PLUS | 1,605 | 1,331 | 700 |
| :---: | :---: | :---: | :---: |
| SLS | 1,736 |  |  |
| Consolidation .............................................................. | 1,784 | 1,418 | 543 |
| Direct student loans: |  |  |  |
| Stafford loans | 568 | 3,506 | 10,221 |
| Unsubsidized Stafford Ioans | 187 | 1,467 | 4,268 |
| PLUS | 58 | 416 | 1,200 |
| Consolidation | ..... | 1,706 | 3,126 |
| Student loans, subtotal ........ | 24,027 | 25,757 | 28,356 |
| Work-study .................................................................. | 760 | 760 | 760 |
| Supplemental educational opportunity grants .................... | 738 | 738 | 738 |
| Perkins loans | 972 | 999 | 1,026 |
| State student incentive grants .......................................... | 145 | 127 | 63 |
| Total aid available, Education <br> Department of Labor: | 30,686 | 32,531 | 35,781 |
| Skill grants for dislocated workers ................................... |  |  | 582 |
| Skill grants for other recipients ${ }^{1}$................................... | 1,774 | 1,821 | 3,050 |
| Total aid available, Labor | 1,774 | 1,821 | 3,632 |
| Total, all aid ..................................................... | 32,460 | 34,352 | 39,413 |

${ }^{1}$ Adjusted for comparability with 1996 policy. Estimated 1994 and 1995 awards for Pell grants for vocational training below the Associate's degree level are included under Skill grants.

## NUMBER OF AID AWARDS

| [in thousands] |  |  |  |
| :---: | :---: | :---: | :---: |
| Department of Education: | 1994 actual | 1995 est. | 1996 est. |
| Pell grants for AAs and above ${ }^{1}$ | 2,654 | 2,682 | 2,829 |
| Student loans: |  |  |  |
| Guaranteed student loans: |  |  |  |
| Stafford loans | 4,191 | 3,460 | 1,788 |
| Unsubsidized Stafford loans | 1,227 | 1,098 | 555 |
| PLUS | 325 | 252 | 124 |
| SLS | 514 |  |  |
| Consolidation | 94 | 74 | 28 |
| Direct student loans: |  |  |  |
| Stafford loans | 168 | 1,082 | 3,126 |
| Unsubsidized Stafford Ioans | 46 | 342 | 967 |
| PLUS | 12 | 79 | 212 |
| Consolidation | ..... | 191 | 308 |
| Student loans, subtotal ................................. | 6,577 | 6,578 | 7,108 |
| Work-study .................................................................. | 713 | 713 | 713 |
| Supplemental educational opportunity grants .................... | 991 | 991 | 991 |
| Perkins loans ............ | 724 | 744 | 764 |
| State student incentive grants .......................................... | 241 | 211 | 105 |
| Total awards, Education ......... | 11,900 | 11,919 | 12,510 |
| Department of Labor: |  |  |  |
| Skill grants for dislocated workers |  |  | 277 |
| Skill grants for other recipients ${ }^{1}$................................... | 1,165 | 1,176 | 1,784 |
| Total awards, Labor ........................................ | 1,165 | 1,176 | 2,061 |
| Total, all awards ................................................ | 13,065 | 13,095 | 14,571 |

${ }^{1}$ Adjusted for comparability with 1996 policy. Estimated 1994 and 1995 awards for Pell grants for vocational training below the Associate's degree level are included under Skill grants.

## AVERAGE AID AWARDS

| [in whole dollars] |  |  |  |
| :---: | :---: | :---: | :---: |
| Department of Education: | 1994 actual | 1995 est. | 1996 est. |
| Pell grants | 1,523 | 1,548 | 1,710 |
| Student loans: |  |  |  |
| Guaranteed student loans: |  |  |  |
| Stafford loans | 3,264 | 3,240 | 3,270 |
| Unsubsidized Stafford loans | 3,592 | 4,284 | 4,415 |
| PLUS | 4,934 | 5,277 | 5,646 |
| SLS | 3,377 |  |  |
| Consolidation | 19,061 | 19,118 | 19,441 |
| Direct student loans: |  |  |  |
| Stafford loans | 3,387 | 3,240 | 3,270 |
| Unsubsidized Stafford loans | 4,110 | 4,284 | 4,415 |
| PLUS ................................................................ | 4,935 | 5,277 | 5,646 |
| Consolidation .................................................... |  | 8,924 | 10,148 |
| Work-study ............................................................... | 1,065 | 1,065 | 1,065 |
| Supplemental educational opportunity grants .................... | 745 | 745 | 745 |
| Perkins loans ............................................................. | 1,342 | 1,342 | 1,342 |
| State student incentive grants ......................................... | 600 | 600 | 600 |
| Department of Labor: |  |  |  |
| Skill grants for dislocated workers ................................... | ..... | .......... | 2,100 |
| Skill grants for other recipients |  | .......... | 1,710 |

NUMBER OF STUDENTS AIDED

| [In thousands] |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: |
|  |  | 1994 actual | 1995 est. | 1996 est. |
| Unduplicated student count | .................. | 7,020 | 6,952 | 8,170 |

The following table displays institutional administrative costs paid from program funds.

## ADMINISTRATIVE PAYMENTS TO INSTITUTIONS

[In thousands of dollars]

|  | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: |
| Pell grants | 19,096 | 19,292 | 14,146 |
| Work-study | 47,236 | 47,236 | 47,236 |
| Supplemental educational opportunity grants ..... | 29,540 | 29,540 | 29,540 |
| Perkins loans .............................................................. | 38,872 | 39,954 | 41,037 |
| Direct student loans | 1,600 | 10,656 | 30,515 |

The following table displays the status of defaulted Perkins loans held by the Department and by institutions.

| DEFAULTED PERKINS LOANS |  |  |  |
| :---: | :---: | :---: | :---: |
| [In thousands of dollars] |  |  |  |
| Outstanding defaulted loans, beginning of year: | 1994 actual | 1995 est. | 1996 est. |
| Assigned defaulted loans ${ }^{1}$ | 318,808 | 322,740 | 333,630 |
| Unassigned defaulted loans ${ }^{2}$ | 777,000 | 804,000 | 828,000 |
| New defaulted loans | 223,761 | 251,890 | 253,200 |
| Collections on assigned loans | -28,019 | -31,000 | -30,500 |
| Collections on unassigned loans | -79,500 | -82,600 | -85,700 |
| Write-offs for assigned loans .......................................... | -7,310 | -22,400 | -23,400 |
| Write-offs for unassigned loans ........................................ | -78,000 | -81,000 | -84,000 |
| Outstanding defaulted loans, end of year ............................. | 1,126,740 | 1,161,630 | 1,191,230 |

${ }^{1}$ Permanently assigned to the Federal Government for collection. Does not include the following amounts in loans made to institutions to establish Perkins revolving funds: $\$ 94$ thousand in 1994, $\$ 94$ thousand in 1995, and $\$ 94$ thousand in 1996. These amounts are recorded as outstanding loans in the "Status of Direct Loans" schedule.
${ }^{2}$ Unassigned loans at institutions.

## Student Financial Assistance

(Legislative proposal, not subject to PAYGO)
Program and Financing (in thousands of dollars)

| Identification code 91-0200-2-1-502 | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: |
| Program by activities: |  |  |  |
| Pellgrants: |  |  |  |
| 01.01 Current academic year program .............................. | .......... | .............. | -1,081,893 |
| 10.00 Total obligations (object class 41.0) ..................... | ....... |  | -1,081,893 |
| Financing: |  |  |  |
| 21.40 Unobligated balance available, start of year: Treasury balance $\qquad$ |  |  |  |
| 24.40 Unobligated balance available, end of year: Treasury balance | ................. | .... | -663,095 |
| 40.00 Budget authority (appropriation) .......................... | ............... | ................. | -1,744,988 |

## Relation of obligations to outlays:

71.00 Total obligations
72.40 Obligated balance, start of year: Unpaid obligations: Treasury balance
74.40 Obligated balance, end of year: Unpaid obligations: Treasury balance
....................................................


The resources in this schedule are proposed for later transmittal under a proposal to support the Administration's GI Bill for America's Workers. This proposal would convert current resources from the Pell grant program to a new Skill grant program administered by the Department of Labor. The maximum award under both the Pell grant and Skill grant programs would be increased to $\$ 2,620$. Please refer to the "Legislative proposal" schedule for the Training and Employment Services account under the Department of Labor and Chapter 1 of the FY 1996 Budget for discussion of this new program.

## Higher Education

For carrying out, to the extent not otherwise provided, titles I, III, IV, [including chapter 2 of subpart 2 of part A,] V, VI, VII, IX, [VIII,] part A[,] and subpart 1 of part B[, and part D] of title X, and XI, without regard to section 1151, of the Higher Education Act of 1965, as amended; the Mutual Educational and Cultural Exchange Act of 1961; part A of title VI[, including part C, $]$ of the Excellence in Mathematics, Science and Engineering Education Act of 1990[; section 1521 of the Higher Education Amendments of 1986 as amended by Public Law 103-239, to be administered by the Secretary of Education; part E of title XV of the Higher Education Amendments of 1992; and Public Law 102-423, $\$ 962,842,000$ ] $\$ 931,511,000$, of which $\$ 8,060,000$ for endowment activities under section 331 of part C of title III and [\$17,512,000] $\$ 16,712,000$ for interest subsidies under title VII of the Higher Education Act, as amended, [and $\$ 4,000,000$ for Public Law 102-423] shall remain available until expendedII, and $\$ 1,000,000$ of the amount provided herein for title III shall be available for an evaluation of the title III programs]: Provided, That $\$ 4,424,000$ shall be available for National Science Scholars as authorized prior to October 20, 1994. (Department of Education Appropriations Act, 1995.)

Program and Financing (in thousands of dollars)

| Identifica | tion code 91-0201-0-1-502 | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: | :---: |
| Program by activities: |  |  |  |  |
| Direct program: |  |  |  |  |
| Aid for institutional development: |  |  |  |  |
| 00.01 | Strengthening historically Black colleges and universities $\qquad$ | 116,719 | 128,596 | 128,596 |
| 00.02 | Strengthening institutions | 88,585 | 80,000 | 80,000 |
| 00.03 | Strengthening Hispanic serving institutions ........ |  | 12,000 | 12,000 |
| 00.04 | Endowment challenge grants .......................... | 5,750 | 23,135 | 8,060 |
| 00.05 | Evaluation ................................................. |  | 1,000 |  |
| 00.91 | Subtotal, aid for institutional development ..... | 211,054 | 244,731 | 228,656 |
| Other aid for institutions: |  |  |  |  |
| 01.01 | Program development ................................... | 129,554 | 126,679 | 99,878 |
| 01.02 | Interest subsidy grants ... | 18,188 | 18,170 | 16,712 |
| 01.03 | Special grants ............................................ | 397 | 4,000 | ........... |
| 01.91 | Subtotal, other aid for institutions Aid for students: | 148,139 | 148,849 | 116,590 |
| 02.01 | Federal TRIO programs .................................... | 418,525 | 463,000 | 463,000 |
| 02.02 | Scholarships .............................................. | 42,224 | 56,123 | 57,140 |
| 02.03 | Graduate fellowships .................................... | 65,059 | 59,015 | 59,268 |
| 02.04 | School, college and university partnerships ........ | 3,928 | 3,893 | 3,893 |
| 02.05 | Legal training for the disadvantaged ................ | 2,991 | 2,964 | 2,964 |
| 02.91 | Subtotal, aid for students ........................... | 532,727 | 584,995 | 586,265 |
| 03.01 | Penalty mail costs ................................................... | 3,074 | ................. |  |
| 10.00 | Total obligations .................................................. | 894,994 | 978,575 | 931,511 |
| Financing: |  |  |  |  |
| 17.00 | Recovery of prior year obligations ........................... | -4,263 | ............. |  |
| 21.40 | Unobligated balance available, start of year: Treasury balance $\qquad$ | -17,020 | -19,864 | -4,131 |
| 24.40 | Unobligated balance available, end of year: Treasury balance $\qquad$ | 19,864 | 4,131 | 4,131 |
| 25.00 | Unobligated balance expiring | 113 |  |  |
| 40.00 | Budget authority (appropriation) ............................ | 893,688 | 962,842 | 931,511 |
| Relation of obligations to outlays: |  |  |  |  |
| 71.00 | Total obligations ................................................ | 894,994 | 978,575 | 931,511 |
| 72.40 | Obligated balance, start of year: Unpaid obligations: Treasury balance $\qquad$ | 897,215 | 950,108 | 1,026,141 |
| 74.40 | Obligated balance, end of year: Unpaid obligations: Treasury balance | -950,108 | -1,026,141 | -1,067,596 |
| 77.00 | Adjustments in expired accounts ............................. | -41,559 |  |  |
| 78.00 | Adjustments in unexpired accounts ......................... | -4,263 | ....... | ............ |
| 90.00 | Outlays ............................................................ | 796,278 | 902,542 | 890,056 |

Summary of Budget Authority and Outlays

| [In thousands of dolars] |  |  |  |
| :---: | :---: | :---: | :---: |
| Enacted/requested: | 1994 actual | 1995 est. | 1996 est. |
| Budget Authority | 893,688 | 962,842 | 931,511 |
| Outlays ........ | 796,278 | 902,542 | 890,056 |
| Rescission proposal: |  |  |  |
| Budget Authority. |  | -26,903 |  |
| Outlays ........ | $\ldots$ | -3,228 | -18,294 |

General and special funds-Continued

## Higher Education-Continued

Summary of Budget Authority and Outlays- Continued

| [In thousands of dollars] |  |  |  |
| :---: | :---: | :---: | :---: |
| Reinventing government proposal, not subject to PAYGO: Budget Authority | 1994 actual | 1995 est. | $\begin{aligned} & 1996 \text { est. } \\ & -110,739 \end{aligned}$ |
| Outlays |  | ............ | -13,289 |
| Total: |  |  |  |
| Budget Authority ............................................................... | 893,688 | 935,939 | 820,772 |
| Outlays .................................................................... | 796,278 | 899,314 | 858,473 |

Aid for institutional development.-
Strengthening historically Black colleges and univer-sities.-Funds support grants to help historically Black undergraduate and graduate institutions equalize educational opportunity and strengthen their management and fiscal operations so that they may eventually become self-sufficient.

Strengthening institutions.-Funds support planning and development grants for improving academic programs and financial management at schools that enroll high proportions of disadvantaged students and have low per-student expenditures.

Strengthening Hispanic-serving institutions.-F unds support Hispanic-serving institutions to enable them to improve and expand their capacity to serve Hispanic and lowincome students.
Endowment challenge grants.-F unds support endowment challenge grants for historically Black colleges and universities and other institutions eligible to participate in the institutional development program to enable such institutions to establish or increase institutional endowment funds.
Other aid for institutions.-
Program devel opment.-F unds support projects under: the Fund for the Improvement of Postsecondary Education, to address problems and encourage improvements in postsecondary education; the minority science improvement program, to improve science education at predominantly minority institutions; international education and foreign language study programs, to help strengthen American education in foreign languages and area and international studies and to provide research and study opportunities in foreign countries for American graduate students, faculty members, and teachers of foreign languages; innovative projects for community service, to encourage community and national service and to expand efforts to combat illiteracy; minority teacher recruitment, to encourage minorities to enter teaching careers; and urban community service projects, to support institutions through cooperative agreements with businesses and organizations to resolve problems in their local communities.
Interest subsidy grants.-Funds meet mandatory interest subsidy costs of construction loan commitments made prior to 1974.
Aid for students.-
Federal TRIO programs.-Funds support: undergraduate outreach programs to help individuals from disadvantaged backgrounds enter and complete college; the student support services program to assist postsecondary students from disadvantaged backgrounds who need academic support to complete successfully their education; the McNair postbaccalaureate program, to provide support to disadvantaged groups underrepresented in graduate education; and staff training, to provide training opportunities for staff employed in or preparing for employment in TRIO programs. Funds also support the continuation of an evaluation of the TRIO programs.

Scholarships.-Funds support: the national science scholars program for outstanding undergraduate students studying in the areas of mathematics and science; Byrd honors scholarships for outstanding students who show promise of continued excellence; and Douglas teacher scholarships for outstanding students who intend to teach at the elementary and secondary level.

Graduate fellowships.-Funds support: Harris fellowships, to assist underrepresented groups to pursue masters degrees, professional study, and doctoral study; J avits felIowships, to assist outstanding students to complete grad-uate-level education; graduate assistance in areas of national need, to provide fellowships to financially needy graduate students who are studying in areas of national need; and faculty development fellowships, to help current underrepresented faculty to obtain doctoral degrees and participate in faculty development activities.

School, college, and university partnerships.-Funds promote partnerships to support programs designed to improve the academic skills, postsecondary opportunities, and employment prospects of secondary school students.

Legal training for the disadvantaged.-Funds assist disadvantaged individuals in undertaking training for the legal profession.

Object Classification (in thousands of dollars)

| Identification code 91-0201-0-1-502 | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: |
| 21.0 Travel and transportation of persons | 3 |  |  |
| 23.3 Communications, utilities, and miscellaneous charges | 3,074 |  |  |
| 25.1 Advisory and assistance services | 2,212 | 735 | 757 |
| 25.2 Other services | 4,331 | 3,127 | 3,221 |
| 25.3 Purchases of goods and services from Government accounts | 1 |  |  |
| 41.0 Grants, subsidies, and contributions ......................... | 885,373 | 974,713 | 927,533 |
| 99.9 Total obligations ................................................ | 894,994 | 978,575 | 931,511 |

Higher Education
(REGO legislative proposal, not subject to PAYGO)
Program and Financing (in thousands of dollars)

| Identification code 91-0201-6-1-502 | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: |
| Program by activities: |  |  |  |
| 00.01 Strengthening institutions ........................................ |  |  | -40,000 |
| 00.04 Endowment challenge grants ................................... |  |  | -6,045 |
| 00.91 Subtotal, aid for instutional development ............... |  |  | -46,045 |
| 01.01 Program development |  |  | - 14,423 |
| 02.02 Scholarships |  |  | - 19,023 |
| 02.03 Graduate fellowships |  |  | - 28,284 |
| 02.05 Legal training for the disadvantaged ........................ |  | ................. | -2,964 |
| 02.91 Subtotal, aid for students .................................... | .................. | ................. | -50,271 |
| 10.00 Total obligations (object class 41.0) ...................... |  |  | -110,739 |
| Financing: |  |  |  |
| 40.00 Budget authority (appropriation) .............................. | ................. | .................. | -110,739 |
| Relation of obligations to outlays: |  |  |  |
| 71.00 Total obligations ................................................... |  |  | -110,739 |
| 72.40 Obligated balance, start of year: Unpaid obligations: Treasury balance |  |  |  |
| 74.40 Obligated balance, end of year: Unpaid obligations: Treasury balance $\qquad$ | ................. | ................. | 97,450 |
| 90.00 Outlays ............................................................. | ................ | ................. | - 13,289 |

To provide savings as part of the Administration's Reinventing Government initiative, the following programs have been eliminated or phased-out: Strengthening institutions, the non-HBCU portion of the Endowment challenge grants program, Innovative projects for community service, Urban community service, National science scholars, Douglas teacher scholarships, Harris fellowships, Javits fellowships, and Legal training for the disadvantaged.

Howard University
For partial support of Howard University (20 U.S.C. 121 et seq.), [ $\$ 206,463,000] \$ 195,963,000$, of which $\$ 3,530,000$, to remain available until expended, shall be for a matching endowment grant to be administered in accordance with the Howard University Endowment Act (Public Law 98-480)I, $\$ 5,000,000$, to remain available until expended, shall be for general construction needs at the University and $\$ 5,500,000$, to remain available until expended, shall be for the establishment of a Law School Clinical Center to be administered under the same terms and conditions as the Centers established and funded under Public Laws 99-88 and 100-517 with not more than $\$ 1,000,000$ to be used for construction]. (Department of Education Appropriations Act, 1995.)

Program and Financing (in thousands of dollars)

| Identification code 91-0603-0-1-502 | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: |
| Program by activities: |  |  |  |
| 00.01 Academic program ............................................. | 154,835 | 158,330 | 158,330 |
| 00.02 Endowment program | 2,384 | 3,530 | 3,530 |
| 00.03 Research | 4,655 | 4,614 | 4,614 |
| 00.04 Howard University Hospital ................................... | 29,755 | 29,489 | 29,489 |
| 00.05 Construction | 3,390 | 6,000 |  |
| 00.06 Law School Clinical Center ........................................ | ............ | 4,500 | .... |
| 10.00 Total obligations (object class 41.0) ..................... | 195,019 | 206,463 | 195,963 |
| Financing: |  |  |  |
| 17.00 Recovery of prior year obligations ............................ | -44 | ............. |  |
| 21.40 Unobligated balance available, start of year: Treasury balance | -10,946 | -8,657 | -8,657 |
| 24.40 Unobligated balance available, end of year: Treasury balance | 8,657 | 8,657 | 8,657 |
| 40.00 Budget authority (appropriation) .......................... | 192,686 | 206,463 | 195,963 |
| Relation of obligations to outlays: |  |  |  |
| 71.00 Total obligations ................................................ | 195,019 | 206,463 | 195,963 |
| 72.40 Obligated balance, start of year: Unpaid obligations: Treasury balance $\qquad$ | 24,883 | 14,544 | 13,887 |
| 74.40 Obligated balance, end of year: Unpaid obligations: Treasury balance $\qquad$ | -14,544 | -13,887 | -9,467 |
| 77.00 Adjustments in expired accounts .............................. | -1,300 | ............. | .......... |
| 78.00 Adjustments in unexpired accounts ........................... | -44 | ................ | ................. |
| 90.00 Outlays .......................................................... | 204,014 | 207,120 | 200,383 |

Howard University is a private, nonprofit educational institution consisting of 17 schools and colleges. Federal funds are used to provide partial support for university programs as well as for the teaching hospital facilities. In 1994, direct Federal appropriations for the academic and research programs represented 52 percent of the university's educational and general expenditures.

## Credit accounts:

## Federal Direct Student Loan Program Account

[For the cost of direct loans authorized by title IV, part D, of the Higher Education Act, as amended, such sums as may be necessary to carry out the purposes of the program, including such sums as may be derived from negative subsidy receipts: Provided, That such costs, including costs of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974.] (Department of Education Appropriations Act, 1995.)

Program and Financing (in thousands of dollars)

| Identification code 91-0243-0-1-502 | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: |
| Program by activities: |  |  |  |
| 02.01 Direct loan subsidy | 55,726 | 787,919 | 1,079,043 |
| 02.01 Reestimates of subsidy |  | 5,017 |  |
| 02.01 Interest on reestimates of direct loan subsidy ............ |  | 283 |  |
| 07.09 Student loan administrative expenses ...................... | 165,003 | 393,247 | 550,000 |
| 10.00 Total obligations ............................................. | 220,729 | 1,186,466 | 1,629,043 |
| Financing: |  |  |  |
| 21.40 Unobligated balance available, start of year: Treasury balance | ........ | -94,997 | -46,750 |


| 24.40 | Unobligated balance available, end of year: Treasury balance $\qquad$ | 94,997 | 46,750 | 46,750 |
| :---: | :---: | :---: | :---: | :---: |
| 39.00 | Budget authority | 315,726 | 1,138,219 | 1,629,043 |
| Budget authority: |  |  |  |  |
| 60.00 | Appropriation | 260,000 | 345,000 | 550,000 |
| 60.05 | Appropriation (indefinite) .................................. | 55,726 | 793,219 | 1,079,043 |
| 63.00 | Appropriation (total) ..................................... | 315,726 | 1,138,219 | 1,629,043 |
| Relation of obligations to outlays: |  |  |  |  |
| 71.00 | Total obligations ................................................ | 220,729 | 1,186,466 | 1,629,043 |
| 72.40 | Obligated balance, start of year: Unpaid obligations: <br> Treasury balance $\qquad$ |  | 72,482 | 416,002 |
| 74.40 | Obligated balance, end of year: Unpaid obligations: Treasury balance $\qquad$ | -72,482 | -416,002 | -543,146 |
| 90.00 | Outlays ........................................................ | 148,247 | 842,946 | 1,501,899 |


| Summary of Budget Authority and Outlays |  |  |  |
| :---: | :---: | :---: | :---: |
| [In thousands of dollars] |  |  |  |
| Enacted/requested: | 1994 actual | 1995 est. | 1996 est. |
| Budget Authority ........................................................... | 315,726 | 1,138,219 | 1,629,043 |
| Outlays ...................................................................... | 148,247 | 842,946 | 1,501,899 |
| Legislative proposal, subject to PAYGO: |  |  |  |
| Budget Authority ....................................................... | ............... | ................. | 419,467 |
| Outlays ................................................................... | .......... | ......... | 213,042 |
| Total: |  |  |  |
| Budget Authority ............................................................ | 315,726 | 1,138,219 | 2,048,510 |
| Outlays ........................................................................ | 148,247 | 842,946 | 1,714,941 |

Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in thousands of dollars)

| Identific | ration code 91-0243-0-1-502 | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: | :---: |
| Direct loan levels supportable by subsidy budget authority: |  |  |  |  |
| 1150 | Stafford | 502,151 | 3,505,680 | 7,527,540 |
| 1150 | Unsubsidized Stafford ............................................. | 212,779 | 1,465,128 | 3,139,065 |
| 1150 | PLUS | 98,325 | 416,883 | 892,068 |
| 1150 | Consolidated |  | 1,704,484 | 2,585,800 |
| 1159 | Total direct loan levels | 813,255 | 7,092,175 | 14,144,473 |
| Direct loan subsidy (in percent): |  |  |  |  |
| 1320 | Stafford | 14.44 | 21.31 | 16.54 |
| 1320 | Unsubsidized Stafford | -6.16 | 1.94 | -1.66 |
| 1320 | PLUS | -3.74 | -9.60 | -11.10 |
| 1320 | Consolidated | 0.00 | 3.07 | -0.59 |
| 1329 | Weighted average subsidy rate | 7.84 | 11.11 | 7.63 |
| Direct loan subsidy budget authority: |  |  |  |  |
| 1330 | Stafford | 72,510 | 746,951 | 1,245,347 |
| 1330 | Unsubsidized Stafford | -13,107 | 28,480 | -52,179 |
| 1330 | PLUS | -3,677 | -39,893 | -98,731 |
| 1330 | Consolidated | ................ | 52,381 | -15,394 |
| 1330 | Reestimates of subsidy |  | 5,017 |  |
| 1330 | Interest on reestimate | ................ | 283 | $\ldots$ |
| 1339 | Total subsidy budget authority | 55,726 | 793,219 | 1,079,043 |
| Direct loan subsidy outlays: |  |  |  |  |
| 1340 | Stafford | 34,143 | 453,149 | 1,154,348 |
| 1340 | Unsubsidized Stafford | -6,172 | 8,359 | -22,254 |
| 1340 | PLUS | -1,731 | -24,034 | -84,485 |
| 1340 | Consolidated |  | 50,809 | 35,877 |
| 1340 | Reestimates of subsidy | .......... | 5,017 |  |
| 1340 | Interest on reestimates | ........ | 283 | $\ldots$ |
| 1349 | Total subsidy outlays ........................................ | 26,240 | 493,583 | 1,083,486 |
| Student loan administrative expense data: |  |  |  |  |
| 3510 | Budget authority .................................................. | 260,000 | 345,000 | 550,000 |
| 3590 | Outlays .................................................................... | 122,007 | 349,363 | 418,413 |

The William D. Ford Direct Loan (Direct Loan) program began making Ioans as of J uly 1, 1994, as stipulated in the Student Loan Reform Act (SLRA) of 1993. Over the next two years, this new Direct Loan program will replace the Federal Family Education Loan (FFEL) program-formerly the Guaranteed Student Loan (GSL) program-with a more streamlined system that is simpler for student and parent

## Credit accounts-Continued

Federal Direct Student Loan Program Account-Continued

borrowers and participating schools, less prone to waste and abuse, and less expensive for the Federal taxpayer. In addition, the Direct Loan program offers new, more flexible repayment options that afford borrowers more freedom to consider lower-paying careers, such as public service, without fear of default.
This summary section outlines the structure of these two programs, highlights their differences and similarities, and provides text tables displaying program cost data; loan volume, subsidy, default, and interest rates; and other descriptive information.

Since its inception in 1965, the FFEL program has provided over $\$ 175$ billion in loans to postsecondary students and their parents. Taken together, the FFEL and Direct Loan programs are projected to support almost $\$ 30$ billion in new loan commitments in FY 1996. Because funding for these two programs is provided on a permanent indefinite basis, for budget purposes they are considered separately from other Federal student financial assistance programs. The FFEL and Direct Loan programs should be viewed in combination with these other programs, however, and with Perkins Loans in particular, as part of the overall Federal effort to ensure access to higher education.
The Direct Loan program was created by the SLRA as part of the Omnibus Budget Reconciliation Act of 1993. (The Higher Education Amendments of 1992 created a small direct loan demonstration program that was replaced by this Direct Loan program before beginning operations.) Under the Direct Loan program, the Federal Government provides funds to postsecondary institutions to originate loans. Alternative originators under contract with the Department are available for institutions that are unwilling or are determined by the Secretary to lack the capacity to serve as originators.

In general, the FFEL program is administered by State and private nonprofit guaranty agencies that serve as intermediate loan insurers, collect defaulted loans, and provide various other services to lenders. The Government is liable under FFEL for up to 98 percent of costs related to default. (F or lender-of-last-resort loans, which typically are made by guaranty agencies in cases where no ordinary lender can be found, the Government is liable for 100 percent of default costs.) The Government also provides substantial subsidies to these guaranty agencies.

Under the President's proposed policy, Direct Loans will fully replace the FFEL program for all new loans in the 1997-1998 academic year. This accelerates the Direct Loan phase-in path mandated in the SLRA. Under the President's proposal, Direct Loans would account for 80 percent of all new loan volume in academic year 1996-1997 and 100 percent in 1997-1998.
Within the context of this expedited phase-out of the FFEL program, the President is also proposing the return to the Federal Government of a portion of guaranty agency reserve funds that would no longer be needed. This policy will be phased in over five years.

The Direct Loan and FFEL programs share many basic elements. Each program offers four types of loans: Stafford, Unsubsidized Stafford, PLUS, and Consolidation. Evidence of financial need is required for a student to receive a subsidized Stafford loan. The other three loan programs are available to any eligible borrower. All loans can be used only to meet qualified educational expenses.

For Stafford loans, the interest rate equals the 91-day Treasury bill rate plus 3.1 percent, with a cap of 8.25 percent. As of J uly 1, 1995, this rate will be lowered during in-school, grace, and deferment periods to the 91-day Treasury bill rate plus 2.5 percent, reducing costs in the FFEL program to the

Federal Government. Interest payments for these loans are fully subsidized by the Government while a student is in school and during grace and deferment periods. Unsubsidized Stafford loans carry the same interest rate as Stafford Ioans, but have no interest subsidy benefit. For PLUS loans for parents, the interest rate equals the 52-week Treasury bill rate plus 3.10 percent, with a cap of 9 percent and no interest subsidy during the in-school, grace, and deferment periods.
As of J anuary 1, 1995, most pre-FY 1992 FFEL Stafford loans will be converted to variable interest rates comparable to those under Direct Loans.
Consolidation Ioans allow borrowers to combine loans made under Title IV of the Higher Education Act-FFEL, Direct Loans, and Perkins Loans-as well as some loans made under the Public Health Service Act. The terms for Consolidation loans differ between FFEL and Direct Loans. Under FFEL, the interest rate for loans made on or after July 1, 1994, equals the weighted average of the interest rate on the loans consolidated, rounded upward to the nearest whole percent, unless the lender chooses to charge less. Direct Subsidized and Direct Unsubsidized Consolidation loans carry the variable Stafford interest rate, while Direct PLUS Consolidation loans are based on the variable PLUS interest rate.

As mandated by the SLRA, FFEL student borrowers who are unable to obtain FFEL Consolidation loans, or such loans with income-sensitive repayment terms acceptable to the borrower, may obtain a Direct Consolidation loan, even if they are consolidating only one loan. In addition, borrowers who have defaulted in FFEL may be eligible to consolidate into Direct Loans, and have access to income-contingent repayment.

Loan limits and origination/insurance fees for each loan type are essentially the same across the two programs. Direct Loan borrowers are charged an origination fee equal to 4 percent of principal, which partially offsets Federal program operation costs. FFEL borrowers pay lenders an origination fee equal to 3 percent of principal, and are also liable for a guaranty agency insurance premium of up to 1 percent of principal. For both programs, the Government is liable for 100 percent of cost related to death, disability, and bankruptcy.

In addition to these common elements, each program has a number of unique provisions. For the Direct Loan program, the Federal Government pays fees to institutions that originate loans. For 1995-1996, institutions are paid an average fee of $\$ 10$ per borrower. Alternative originators, who work under contract to the Government, are paid an average of $\$ 11$ per borrower for origination activities.

Borrowers under Direct Loans may choose from among five repayment plans including income-contingent repayment ("Pay-as-you-can"), under which annual repayment amounts vary based on the income of the borrower and the amount borrowed and are paid over an extended period of time of up to 25 years. Borrowers may also switch between plans. (Income-contingent repayment is not available to Direct PLUS borrowers).
For the FFEL program, lenders may receive a quarterly interest subsidy, called a special allowance, from the Government to ensure a guaranteed rate of return on their loans. Special allowance payments vary by loan type, are determined quarterly, and are based on current borrower interest rates and market-yield formulas. For recent Stafford and Unsubsidized Stafford Ioans, for example, the Federal Government must pay lenders a special allowance if the average 91-day Treasury bill rate for a given quarter plus 3.1 percent is higher than the current interest rate charged borrowers.

Under the FFEL program, the SLRA imposed a number of new fees on lenders, holders of consolidation loans, and the Student Loan Marketing Association (Sallie Mae). Lender fees represent a percentage of new loan disbursements,
whereas Ioan holder and Sallie Mae fees are based on Ioan holdings.
In order to ensure the uninterrupted availability of loan funds for students and parents, Congress provided permanent funding to support Direct Loan administration and expenses related to the phase-out of the FFEL program. These funds support Department personnel and contractors for Direct Loan origination and servicing, and certain guaranty agency costs needed to ensure a stable transition from the FFEL program to the Direct Loan program.

Discretionary administrative funds requested for the FFEL Program account primarily support management, program oversight, and default collection costs associated with $\$ 85$ billion in outstanding FFEL loans projected for the end of fiscal year 1996.

As the Direct Loan program is phased in over the next two years, FTE and other Department resources currently dedicated to FFEL program operations will be gradually shifted to support Direct Loans. This redeployment will ensure the efficient delivery of over 7 million FFEL and Direct Loans-totaling almost $\$ 30$ billion-in FY 1996 alone.
The following tables display projected overall Direct Loan and FFEL costs; loan volume, number of loans, and average loan amount; descriptive data, and program activity under the President's budget and legislative request.

| Funding Levels (in thousands of dollars) |  |  |  |
| :---: | :---: | :---: | :---: |
|  | 1994 actual | 1995 est. | 1996 est. |
| Budget Authority: FFEL: |  |  |  |
|  |  |  |  |
| Liquidating ${ }^{1}$ | -2,839,537 | 1,344,645 | 595,248 |
| Program ${ }^{2}$............................................................... | 2,933,032 | 3,773,733 | 1,620,489 |
| Subtotal, FFEL | 93,495 | 5,118,278 | 2,215,737 |
| Direct Loans: |  |  |  |
| Program ${ }^{2}$................................................................ | 55,726 | 793,219 | 1,498,510 |
| Administration: |  |  |  |
| FFEL . | 69,966 | 62,191 | 30,066 |
| Student Loans ${ }^{3}$.......................................................... | 260,000 | 345,000 | 550,000 |
| Subtotal, Administration ......................................... | 329,966 | 407,191 | 580,066 |
| Total, FFEL and Direct Loans ................................ | 479,188 | 6,318,688 | 4,294,313 |
| Outlays: |  |  |  |
| FFEL: |  |  |  |
| Liquidating ${ }^{1}$........................................................... | -3,023,128 | 1,459,275 | 711,027 |
| Program ${ }^{2}$..................................................................... | 2,697,318 | 3,223,452 | 1,905,223 |
| Subtotal, FFEL .................................................... | -325,810 | 4,682,727 | 2,616,250 |
| Direct Loans: |  |  |  |
| Program ${ }^{2}$................................................................ | 26,240 | 493,583 | 1,307,823 |
| Administration: |  |  |  |
| FFEL | 45,507 | 59,773 | 42,146 |
| Student Loans ${ }^{3}$.......................................................... | 122,007 | 349,363 | 407,318 |
| Subtotal, Administration ......................................... | 167,514 | 409,136 | 449,464 |
| Total, FFEL and Direct Loans ................................... | -132,056 | 5,585,446 | 4,373,337 |

${ }^{1}$ Liquidating account reflects loans made prior to 1992. FY 1994 liquidating amount includes as an offsetting collection a $\$ 4.79$ billion payment to the Federal Financing Bank by the Student Loan Marketing Association. ${ }_{2}$ 2Program account totals for FY 1994 and FY 1995 reflect adjustments resulting from reestimates of prior year costs. Program obligations may be less than budget authority.
IIncludes both Direct Loan administration activities and costs associated with the phase-out of the FFEL program
such such as guaranty agency administrative expense allowances.

Summary of Loan Volume (net commitments in thousands of dollars) ${ }^{1}$

|  | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: |
| FFEL: |  |  |  |
| Stafford | 13,679,499 | 11,211,405 | 5,848,081 |
| Unsubsidized Stafford | 4,409,644 | 4,701,998 | 2,449,662 |
| PLUS | 1,605,161 | 1,331,225 | 700,230 |
| SLS 2 .................................................................. | 1,735,722 |  |  |
| Consolidated ........................................................... | 1,783,940 | 1,418,035 | 542,995 |
| Total, FFEL ......................................................... | 23,213,966 | 18,662,663 | 9,540,968 |
| Direct Loans: |  |  |  |
|  | 567,562 | 3,505,950 | 10,221,171 |
| Unsubsidized Stafford .............................................................. | 187,388 | 1,467,057 | 4,267,612 |
| PLUS . | 58,305 | 415,575 | 1,199,694 |
| Consolidated ${ }^{3}$........................................................ | ................. | 1,705,902 | 3,126,149 |



| ${ }^{1}$ Net commitments equal gross commitments minus loan cancellations. <br> ${ }^{2}$ The SLS program was eliminated under the Student Loan Reform Act of 1994. As of FY 1995, outstanding SLS loans will be converted to Unsubsidized Stafford Loans. No new SLS loans were made as of july 1, 1994. |  |  |  |
| :---: | :---: | :---: | :---: |
|  |  |  |  |
| No Direct Consolidation Loans were made in 199 |  |  |  |
| Number of Loans (in thousands) |  |  |  |
|  | 1994 actual | 1995 est. | 1996 est. |
| FFEL: |  |  |  |
| Stafford ................................................................................... | 4,191 | 3,460 | 1,788 |
| Unsubsidized Stafford ................................................................ | 1,227 | 1,098 | 555 |
| PLUS | 325 | 252 | 124 |
| SLS ${ }^{1}$ | 514 |  |  |
| Consolidated ............................................................ | 94 | 74 | 28 |
| Total, FFEL ......................................................... | 6,352 | 4,884 | 2,495 |
| Direct Loans: |  |  |  |
| Stafford | 168 | 1,082 | 3,125 |
| Unsubsidized Stafford | 46 | 342 | 967 |
| PLUS | 12 | 79 | 212 |
| Consolidated ${ }^{2}$........................................................... | ................. | 191 | 308 |
| Total, Direct Loans .................................................. | 225 | 1,694 | 4,613 |
| Total, FFEL and Direct Loans .................................. | 6,577 | 6,579 | 7,108 |

1 The SLS program was eliminated under the Student Loan Reform Act of 1994. As of FY 1995, outstanding
SLS loans will be converted to Unsubsidized Stafford Loans. No new SLS loans were made as of july 1, 1994. ${ }^{2}$ No Direct Consolidation Loans were made in 1994.

Average Loan Size (in whole dollars)

|  | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: |
| FFEL: |  |  |  |
| Stafford | 3,264 | 3,240 | 3,270 |
| Unsubsidized Stafford | 3,592 | 4,284 | 4,415 |
| PLUS | 4,934 | 5,277 | 5,646 |
| SLS ${ }^{1}$ | 3,377 |  |  |
| Consolidated ............................................................... | 19,061 | 19,118 | 19,441 |
| Weighted Average, FFEL ......................................... | 3,655 | 3,821 | 3,824 |
| Direct Loans: |  |  |  |
| Stafford | 3,387 | 3,240 | 3,270 |
| Unsubsidized Stafford | 4,110 | 4,284 | 4,415 |
| PLUS ..................................................................... | 4,935 | 5,277 | 5,646 |
| Consolidated ${ }^{2}$.............................................................. | ................. | 8,924 | 10,148 |
| Weighted Average, Direct Loans .............................. | 3,615 | 4,187 | 4,079 |
| Weighted Average, FFEL and Direct Loans .................. | 3,653 | 3,915 | 3,989 |

${ }^{1}$ The SLS program was eliminated under the Student Loan Reform Act of 1994, As of FY 1995 , outstanding SLS loans will be converted to Unsubsidized Stafford Loans. No new SLS loans were made as of july 1, 1994. ${ }_{2}$ No Direct Consolidation Loans were made in FY 1994.

## Summary of Loan Levels, Subsidy Rates, Default Rates, Interest Rates, and

 Discount Rates|  | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: |
| Loan Levels Available (Gross commitments in thousands of dollars) |  |  |  |
| FFEL: |  |  |  |
| Stafford | 14,758,333 | 12,076,050 | 6,299,096 |
| Unsubsidized Stafford | 4,748,445 | 5,053,195 | 2,626,983 |
| PLUS | 1,725,980 | 1,431,425 | 752,935 |
| SLS ${ }^{1}$ | 1,868,377 |  |  |
| Consolidation .................................................. | 1,868,000 | 1,484,854 | 568,582 |
| Total, FFEL ............................................... | 24,969,135 | 20,045,524 | 10,247,596 |
| Direct Loans: |  |  |  |
| Stafford | 567,562 | 3,505,950 | 10,428,904 |
| Unsubsidized Stafford ........................................ | 187,388 | 1,467,057 | 4,349,285 |
| PLUS .......................................................... | 58,305 | 415,575 | 1,223,065 |
| Consolidation .................................................. | ............. | 1,705,902 | 3,151,410 |
| Total, Direct Loans $\qquad$ <br> Subsidy Rates (in percent) ${ }^{2}$ | 813,255 | 7,094,484 | 19,152,664 |
| FFEL: |  |  |  |
| Stafford ...................................................... | 18.22 | 24.36 | 22.84 |
| Unsubsidized Stafford ...................................... | 3.06 | 5.37 | 4.74 |
| PLUS ........................................................... | 0.62 | 1.79 | 1.64 |
| SLS ${ }^{1}$.......................................................... | 2.39 | ........... |  |
| Consolidation ...................................................... | 0.10 | 4.72 | 7.86 |

Credit accounts-Continued
Federal Direct Student Loan Program Account-Continued
Summary of Loan Levels, Subsidy Rates, Default Rates, Interest Rates, and Discount Rates- Continued

|  | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: |
| Weighted Average, FFEL .................................. | 11.70 | 16.50 | 15.67 |
| Direct Loans: |  |  |  |
| Stafford .. | 14.44 | 21.31 | 16.54 |
| Unsubsidized Stafford ..................................... | -6.16 | 1.94 | -1.66 |
| PLUS ................................................................. | -3.74 | -9.60 | -11.10 |
| Consolidation ................................................... | ................ | 3.07 | -0.59 |
| Weighted Average, Direct Loans ........................ | 7.84 | 11.11 | 7.63 |
| Default Rates (in percent) ${ }^{3}$ |  |  |  |
| FFEL: |  |  |  |
| Stafford ....................................................... | 16.87 | 16.77 | 16.77 |
| Unsubsidized Stafford ........................................ | 15.26 | 15.00 | 14.71 |
| PLUS .......................................................... | 9.00 | 9.00 | 9.00 |
| SLS ${ }^{1}$............................................................... | 14.40 |  |  |
| Consolidation ................................................ | 9.00 | 9.00 | 9.00 |
| Weighted Average, FFEL ................................... | 15.30 | 14.76 | 14.35 |
| Direct Loans: |  |  |  |
| Stafford | 15.89 | 15.74 | 15.74 |
| Unsubsidized Stafford ...................................... | 14.80 | 14.55 | 14.27 |
| PLUS | 9.00 | 9.00 | 9.00 |
| Consolidation .................................................. | 9.00 | 9.00 | 9.00 |
| Weighted Average, Direct Loans ...................... | 15.06 | 13.13 | 13.91 |
| Borrower Interest Rates (in percent) |  |  |  |
| FFEL: |  |  |  |
| Stafford | 6.84 | 8.25 | 8.25 |
| Unsubsidized Stafford ....................................... | 6.84 | 8.25 | 8.25 |
| PLUS ........................................................ | 7.69 | 9.00 | 9.00 |
| SLS ${ }^{1}$........................................................ | 7.69 | .............. | ...... |
| Consolidation 4 .............................................. | $\ldots$ | ..... | ....... |
| Direct Loans: |  |  |  |
| Stafford | 6.84 | 8.25 | 8.25 |
| Unsubsidized Stafford ..................................... | 6.84 | 8.25 | 8.25 |
| PLUS ........................................................... | 7.69 | 9.00 | 9.00 |
| Consolidation ${ }^{4}$ |  |  |  |
| Federal Borrowing Rate for Direct Loans (in percent) | 6.77 | 8.15 | 7.62 |

${ }^{1}$ The SLS program was eliminated under the Student Loan Reform Act of 1994. As of FY 1995, outstanding SLS loans will be converted to Unsubsidized Stafford Loans. No new SLS loans were made as of July 1, 1994
${ }^{2}$ Subsidy rates represent the Federal portion of non-administrative costs- principally interest subsidies and de-faults-associated with each borrowed dollar. For example, a $\$ 1,000$ loan with Federal subsidy costs of $\$ 100$ would have a subsidy rate of 10 percent.
${ }^{3}$ Default rates represent the rate for a cohort of loans over the first three years in repayment, the period in which most defaults occur. Program cost estimates are calculated using slightly higher rates that reflect defaults over the full lifetime of a given cohort.
4 Interest rates under the FFEL Consolidation Loan program reflect a weighted average of the rates of the loans consolidated, rounded upward to the nearest whole percentage. For the Direct Loan Consolidation Loan program, loans consolidated from the Stafford Loan program are charged the Stafford Loan interest rate. Loans consolidated from the Stafford and Unsubsidized Stafford Loan programs are charged the Unsubsidized Stafford interest rates. Loans consolidated from the PLUS program are charged the PLUS interest rates.

## Summary of Program Transactions (in thousands of dollars) ${ }^{1}$

|  | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: |
| Status of Outstanding Loan Principal: |  |  |  |
|  |  |  |  |
| Liquidating ${ }^{2}$. | 48,795,628 | 36,414,078 | 29,612,838 |
| FFEL | 21,575,000 | 38,660,686 | 55,626,291 |
| Direct Loans ................................................ | .................... | 310,930 | 5,385,698 |
| Total ........................................................ | 70,370,628 | 75,385,694 | 90,624,827 |
| Disbursements: |  |  |  |
| Liquidating ${ }^{2}$ | 30,450 | 18,760 | 10,290 |
| FFEL | 20,063,897 | 20,018,999 | 11,614,888 |
| Direct Loans ....................................................... | 310,946 | 5,171,017 | 16,237,012 |
| Total | 20,405,293 | 25,208,776 | 27,862,190 |
| Repayments to Loan Holders: |  |  |  |
| Liquidating 2 ................................................. | - 10,324,984 | -5,426,810 | -5,081,303 |
| FFEL | -2,311,489 | -1,736,307 | -4,122,044 |
| Direct Loans ................................................. | -16 | -76,992 | -336,126 |
| Total ....................................................... | -12,636,489 | -7,240,109 | -9,539,473 |
| Adjustments: ${ }^{3}$ |  |  |  |
| New Defaults: |  |  |  |
| Liquidating ${ }^{2}$.................................................. | -1,843,457 | -1,226,797 | -835,375 |
| FFEL .......................................................... | -648,230 | -1,287,161 | -1,738,775 |
| Direct Loans ....................................................... | ................... | -17,897 | -85,022 |


| Total | -2,491,687 | -2,531,855 | -2,659,172 |
| :---: | :---: | :---: | :---: |
| Death, Disability, and Bankruptcy Claims: |  |  |  |
| Liquidating ${ }^{2}$.................................................. | -243,559 | - 166,393 | -114,322 |
| FFEL | -18,492 | -29,926 | -35,661 |
| Direct Loans .................................................. | .............. | -1,359 | -5,772 |
| Total | -262,051 | - 197,678 | -155,755 |
| Ending Balance: |  |  |  |
| Liquidating ${ }^{2}$ | 36,414,078 | 29,612,838 | 23,592,128 |
| FFEL | 38,660,686 | 55,626,291 | 61,344,701 |
| Direct Loans .................................................. | 310,930 | 5,385,698 | 21,195,791 |
| Total | 75,385,694 | 90,624,827 | 106,132,620 |
| Status of Defaulted Loan Principal: |  |  |  |
| Beginning Balance: |  |  |  |
| Liquidating ${ }^{2}$.. | 14,649,446 | 14,502,315 | 13,423,092 |
| FFEL | 121,960 | 693,771 | 1,814,897 |
| Direct Loans | ...... | ....... | 17,186 |
| Total | 14,771,406 | 15,196,086 | 15,255,175 |
| New Defaults: |  |  |  |
| Liquidating ${ }^{2}$ | 1,843,457 | 1,226,797 | 835,375 |
| FFEL | 648,230 | 1,287,161 | 1,738,775 |
| Direct Loans | .................. | 17,897 | 85,022 |
| Total | 2,491,687 | 2,531,855 | 2,659,172 |
| Collections: |  |  |  |
| Liquidating ${ }^{2}$ | -1,358,777 | -1,569,563 | -1,544,420 |
| FFEL | -68,256 | -148,299 | -305,765 |
| Direct Loans ................................................... | ............... | -711 | -14,450 |
| Total | -1,427,033 | -1,718,573 | -1,864,635 |
| Write-off: ${ }^{4}$ |  |  |  |
| Liquidating ${ }^{2}$... | -446,000 | -603,000 | -722,000 |
| FFEL ................................................................. | -8,163 | -17,736 | -39,409 |
| Total | -454,163 | -620,736 | -761,409 |
| Ending Balance: |  |  |  |
| Liquidating ${ }^{2}$................................................. | 14,502,315 | 13,423,092 | 11,879,463 |
| FFEL | 693,771 | 1,814,897 | 3,208,497 |
| Direct Loans ................................................... | ................... | 17,186 | 87,758 |
| Total ....................................................... | 15,381,897 | 15,388,632 | 15,288,303 |
| ${ }^{1}$ This table represents cash transactions occurring within a given fiscal year, regardless of loan cohort. <br> ${ }^{2}$ The Liquidating account reflects loans made prior to 1992. <br> ${ }^{3}$ Adjustments represent payments made by the Federal Government. <br> ${ }^{4}$ Write-offs represent defaulted loans on which active collection is suspended. |  |  |  |
| Composition of Default Collections (in thousands of dollars) |  |  |  |


|  | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: |
| FFEL: |  |  |  |
| Collections by Guaranty Agencies ................................... | 496,068 | 430,379 | 440,218 |
| Collections by Department of Education | 270,563 | 521,811 | 631,646 |
| Internal Revenue Service Tax Refund Offsets ..................... | 660,402 | 765,672 | 778,320 |
| Total, FFEL | 1,427,033 | 1,717,862 | 1,850,184 |
| Direct Loans: |  |  |  |
| Collections by Department of Education ........................... |  | 711 | 14,450 |
| Internal Revenue Service Tax Refund Offsets ..................... | . | ...... |  |
| Total, Direct Loans ................................................. | .............. | 711 | 14,450 |
| Total, FFEL and Direct Loans .................................... | 1,427,033 | 1,718,573 | 1,864,634 |

Projected Participation in Direct Loan Repayment ${ }^{1}$ (in thousands of dollars)

|  | 1994 cohort | 1995 cohort | 1996 cohort |
| :---: | :---: | :---: | :---: |
| Standard: |  |  |  |
| Percent of Direct Loan Volume ${ }^{2}$ | 41.81 | 41.81 | 41.81 |
| Maximum Term (in years) | 10 | 10 | 10 |
| Subsidy Rate (in percent) ${ }^{3}$ | 12.40 | 16.95 | 12.40 |
| Budget Authority | 34,744 | 491,243 | 998,702 |
| Outlays | 16,360 | 304,429 | 857,333 |
| Extended: ${ }^{4}$ |  |  |  |
| Percent of Direct Loan Volume ${ }^{2}$ | 13.58 | 13.58 | 13.58 |
| Subsidy Rate (in percent) ${ }^{3}$ | 2.59 | 6.24 | 2.59 |
| Budget Authority . | 4,253 | 60,138 | 67,451 |
| Outlays .............. | 2,003 | 37,268 | 69,165 |
| Graduated: 4 |  |  |  |
| Percent of Direct Loan Volume ${ }^{2}$ | 28.05 | 28.05 | 28.05 |
| Subsidy Rate (in percent) ${ }^{3}$.......................................... | 1.73 | 3.72 | 1.73 |
| Budget Authority ................................................................ | 5,239 | 74,078 | 93,163 |
| Outlays .............................................................. | 2,467 | 45,907 | 91,777 |
| Income-Contingent: |  |  |  |
| Percent of Direct Loan Volume ${ }^{2}$........................................... | 16.56 | 16.56 | 16.56 |


| Maximum Term (in years) | 25 | 25 | 25 |
| :---: | :---: | :---: | :---: |
| Subsidy Rate (in percent) ${ }^{3}$............................................. | 10.98 | 12.90 | 10.98 |
| Budget Authority | 11,490 | 162,460 | 339,194 |
| Outlays ........................................................................ | 5,410 | 100,678 | 289,349 |
| Total: |  |  |  |
| Percent of Direct Loan Volume ${ }^{2}$ | 100.00 | 100.00 | 100.00 |
| Subsidy Rate (in percent) ${ }^{3}$ | 7.84 | 11.11 | 7.83 |
| Budget Authority ........................................................ | 55,727 | 787,919 | 1,498,510 |
| Outlays ..................................................................... | 26,240 | 100,678 | 1,307,623 |


| Category 2: 4 year college, all other students .................... | 10.5 | 10.5 | 10.5 |
| :---: | :---: | :---: | :---: |
| Category 3: 2 year school, all students ........................... | 26.0 | 26.0 | 26.0 |
| Category 4: Proprietary school, all students ........................ | 30.0 | 30.0 | 30.0 |
| PLUS LOANS |  |  |  |
| Subsidy Rate (as a percentage of loan commitments) |  |  |  |
|  | 1994 actual | 1995 est. | 1996 est. |
| All PLUS loans ................................................................. | -3.74 | -9.60 | -11.10 |
| Gross Default Rate (in percent) |  |  |  |
| All PLUS loans ................................................................ | 9.00 | 9.00 | 9.00 |
| CONSOLIDATED LOANS |  |  |  |
| Subsidy Rate (as a percentage of loan commitments) |  |  |  |
|  | 1994 actual | 1995 est. | 1996 est. |
| All consolidated loans |  | 3.07 | -0.59 |
| Gross Default Rate (in percent) |  |  |  |
| All consolidated loans ..................................................... | 9.00 | 9.00 | 9.00 |
| FFEL LOAN RISK CATEGORIES: STAFFORD LOANS |  |  |  |
| Subsidy Rate (as a percentage of loan commitments) |  |  |  |
| Risk Categories: | 1994 actual | 1995 est. | 1996 est. |
| Category 1: 4 year college, 1st and 2nd year students | 20.61 | 25.36 | 23.78 |
| Category 2: 4 year college, all other students ................... | 12.25 | 16.22 | 15.2 |
| Category 3: 2 year school, all students ........................... | 18.09 | 24.93 | 23.3 |
| Category 4: Proprietary school, all students ...................... | 18.03 | 25.26 | 23.6 |
| Gross Default Rates (in percent) |  |  |  |
| Risk Categories: |  |  |  |
| Category 1: 4 year college, 1st and 2nd year students | 19.7 | 19.7 | 19.7 |
| Category 2: 4 year college, all other students ................... | 10.5 | 10.5 | 10.5 |
| Category 3: 2 year school, all students ........................... | 26.0 | 26.0 | 26.0 |
| Category 4: Proprietary school, all students ...................... | 30.0 | 30.0 | 30.0 |

Risk category data for the FFEL account is collected by guaranty agencies and the Department's Debt Collection Serv-
ice. Because risk group data for the current year is unavailguaranty agencies and the Department's Debt Collection Serv-
ice. Because risk group data for the current year is unavailable from these sources on a timely basis, FFEL cost estimates are generally prepared using prior-year data. The Direct Loan servicing system will provide risk group data on Direct Loans for each fiscal year as it develops, allowing estimates to be prepared using current year data.

The Stafford and Unsubsidized Stafford programs have been divided into four risk categories: (1) 4-year college, first and second year students, (2) 4-year college, all other students, (3) students attending 2 -year schools, and (4) propri-
etary school students. SLS loans have been divided into two dents, (3) students attending 2-year schools, and (4) propri-
etary school students. SLS loans have been divided into two risk categories: (1) nonproprietary school students, and (2) proprietary school students. The SLS component is eliminated as of July 1, 1994. PLUS loans are not further categorized.

The following text table depicts preliminary findings of subsidy costs based on loan program by risk category. Gross default rates (default rates excluding collections on defaulted loans) by risk category are also displayed. Default rates shown are the three-year cohort default rates. Subsidy rates are based on lifetime default rates.

| DIRECT LOAN RISK CATEGORIES: STAFFORD LOANS |  |  |  |
| :---: | :---: | :---: | :---: |
| Subsidy Rate (as a percentage of loan commitments) |  |  |  |
| Risk Categories: | 1994 actual | 1995 est. | 1996 est. |
| Category 1: 4 year college, 1st and 2nd year students | 16.34 | 22.18 | 17.22 |
| Category 2: 4 year college, all other students .................... | 9.71 | 14.18 | 11.01 |
| Category 3: 2 year school, all students ............................. | 14.34 | 21.81 | 16.93 |
| Category 4: Proprietary school, all students ........................ | 14.29 | 22.09 | 17.16 |
| Risk Categories: |  |  |  |
| Category 1: 4 year college, 1st and 2nd year students | 19.7 | 19.7 | 19.7 |
| Category 2: 4 year college, all students ............................ | 10.5 | 10.5 | 10.5 |
| Category 3: 2 year school, all students ........................... | 26.0 | 26.0 | 26.0 |
| Category 4: Proprietary school, all students ....................... | 30.0 | 30.0 | 30.0 |
| UNSUBSIDIZED STAFFORD LOANS |  |  |  |
| Subsidy Rate (as a percentage of loan commitments) |  |  |  |
| Risk Categories: | 1994 actual | 1995 est. | 1996 est. |
| Category 1: 4 year college, 1st and 2nd year students | -2.8 | 1.06 | 0.91 |
| Category 2: 4 year college, all other students ................... | 1.02 | -0.21 | 0.18 |
| Category 3: 2 year school, all students ............................ | -7.61 | 2.24 | -1.92 |
| Category 4: Proprietary school, all students $\qquad$ Gross Default Rates (in percent) | 11.75 | 3.29 | -2.82 |
| Category 1: 4 year college, 1st and 2nd year students | 19.7 | 19.7 | 19.7 |

${ }^{1}$ No data are included for the Alternative repayment plan. Borrowers are not expected to participate in this plan due to the flexibility available under the other options.
${ }^{2}$ Percent of Direct Loan Volume represents aggregate data. Individual borrowers may move between plans over time.
${ }^{3}$ Subsidy rate reflects weighted average for four loan types: Stafford, Unsubsidized Stafford, PLUS, and Consolidation Loans.
${ }^{4}$ Maximum terms under the Extended and Graduated repayment plans reflect the following "classes" based on borrower debt levels.

| Debt Level: | Maximum <br> Term (in <br> years) | Percent of <br> Volume <br> Within <br> Affected |
| :--- | ---: | ---: | ---: |
| Plans |  |  |

Subsidy costs for the FFEL and Direct Loan programs are estimated in accordance with procedures set out in the Credit Reform Act of 1990. Subsidy costs for each loan type are estimated separately and, because costs can vary widely within a program depending on the characteristics of the individual borrower, cost estimates are aggregated from data for homogeneous groups within risk categories. risk categories: (1) nonproprietary school students, and (2)
as of July 1, 1994. PLUS loans are not further categorized.

| Subsidy Rate (as a percentage of loan commitments) |  |
| :---: | :---: |
| Risk Categories: | 1994 |
| Category 1: 4 year college, 1st and 2nd year students | 1.4 |
| Category 2: 4 year college, all other students ........ | 0.5 |
| Category 3: 2 year school, all students ... | 3.7 |
| Category 4: Proprietary school, all students ........................ <br> Gross Default Rates (in percent) | 5.8 |
| Category 1: 4 year college, 1st and 2nd year students | 19. |
| Category 2: 4 year college, all other students .................... | 10.5 |
| Category 3: 2 year school, all students .............. | 26. |
| Category 4: Proprietary school, all students ........................ | 30. |

Credit accounts-Continued
Federal Direct Student Loan Program Account-Continued
Summary of Program Costs and Offsets (In thousands of dollars)- Continued

|  |  | 1994 |  |  |  |
| :--- | ---: | ---: | ---: | ---: | ---: |



Federal Direct Student Loan Program Account
(Legislative proposal, subject to PAYGO)
Program and Financing (in thousands of dollars)

| Identification code 91-0243-4-1-502 | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: |
| Program by activities: |  |  |  |
| 02.01 Direct loan subsidy. | ................. | ......... | 419,467 |
| 10.00 Total obligations ................................................ |  |  | 419,467 |
| Financing: |  |  |  |
| 60.05 Budget authority (appropriation) (indefinite) ............... | ................. | .................. | 419,467 |
| Relation of obligations to outlays: |  |  |  |
| 71.00 Total obligations ............................................... | .............. |  | 419,467 |
| 74.40 Obligated balance, end of year: Unpaid obligations: Treasury balance | ................. | ................. | -206,425 |
| 90.00 Outlays ....................................................... |  | ................. | 213,042 |

Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in
thousands of dollars)

| Identifi | ation code 91-0243-4-1-502 | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: | :---: |
| Direct loan levels supportable by subsidy budget authority: |  |  |  |  |
| 1150 | Stafford |  |  | 2,900,490 |
| 1150 | Unsubsidized Stafford | ................. | .... | 1,209,710 |
| 1150 | PLUS |  |  | 333,114 |
| 1150 | Consolidated ..................................................... | .................. | ................. | 561,983 |
| 1159 | Total direct loan levels |  |  | 5,005,297 |
| Direct loan subsidy budget authority: |  |  |  |  |
| 1330 | Stafford | .................. |  | 479,985 |
| 1330 | Unsubsidized Stafford |  |  | -20,11 |
| 1330 | PLUS | .................. | .................. | -37,070 |
| 1330 | Consolidated | ................. |  | -3,337 |
| 1339 | Total subsidy budget authority ............................. | ................. | .................. | 419,467 |
| Direct loan subsidy outlays: |  |  |  |  |
| 1340 | Stafford |  |  | 316,885 |
| 1340 | Unsubsidized Stafford | ....... | ........ | -13,659 |
| 1340 | PLUS ..................................................................... | .................. | .................. | -25,043 |
| 1340 | Consolidated ............... | ............ | ......... | -54,046 |
| 1349 | Total subsidy outlays ........................................ | .............. | ............ | 224,137 |

Student loan administrative expense data:
3510 Budget authority
lan ......................................................
3590 Outlays
$-11,095$
A description of the Administration's proposed legislation to accelerate the phase-in of the Direct Loan program is included under the Federal Direct Student Loan program account.

Object Classification (in thousands of dollars)

| Identification code 91-0243-4-1-502 |  | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: | :---: |
| 21.0 | Travel and transportation of persons |  |  | 738 |
| 24.0 | Printing and reproduction |  |  | 811 |
| 25.2 | Other services | .................. |  | 19,723 |
| 26.0 | Supplies and materials | .................. |  | 17 |
| 31.0 | Equipment |  |  | 47 |
| 33.0 | Investments and loans |  |  | 419,467 |
| 41.0 | Grants, subsidies, and contributions ......................... | ................. | ................. | -21,336 |
| 99.9 | Total obligations ................................................ |  |  | 419,467 |

Federal Direct Student Loan Program, Financing Account
Program and Financing (in thousands of dollars)

| Identifi | tion code 91-4253-0-3-502 | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: | :---: |
| Program by activities: |  |  |  |  |
| Direct loans: |  |  |  |  |
| 01.01 | Stafford | 502,151 | 3,505,680 | 7,527,540 |
| 01.02 | Unsubsidized Stafford | 212,779 | 1,465,128 | 3,139,065 |
| 01.03 | PLUS | 98,325 | 416,883 | 892,068 |
| 01.04 | Consolidated .................................................. | ................. | 1,704,484 | 2,585,800 |
| 01.91 | Total, direct loans obligations Payment of origination services: | 813,255 | 7,092,175 | 14,144,473 |
| 02.01 | Stafford ............................. | 1,111 | 11,154 | 23,734 |
| 02.02 | Unsubsidized Stafford | 471 | 3,547 | 7,373 |
| 02.03 | PLUS | 218 | 814 | 1,629 |
| 02.04 | Consolidated | ................. | 15,280 | 22,400 |
| 02.91 | Subtotal, Payment of origination services ............... | 1,800 | 30,795 | 55,136 |
| 03.01 | Interest on Treasury borrowing ............................... | 29,450 | 220,845 | 839,485 |
| 10.00 | Total obligations ............................................... | 844,505 | 7,343,815 | 15,039,094 |
| Financing: |  |  |  |  |
| 31.00 | Redemption of debt | 12 | ................. |  |
| 39.00 | Financing authority (gross) .................................. | 844,517 | 7,343,815 | 15,039,094 |
| Financing authority: |  |  |  |  |
| 67.15 | Authority to borrow (indefinite) ........................... | 757,517 | 6,340,340 | 13,132,664 |
| 68.00 | Spending authority from offsetting collections ........ | 88,781 | 1,003,475 | 1,906,430 |
| 68.47 | Portion applied to debt reduction-Capital transfer repayment to principal to Treasury | -1,781 |  |  |
| 68.90 | Spending authority from offsetting collections (total) $\qquad$ | 87,000 | 1,003,475 | 1,906,430 |
| Relation of obligations to financing disbursements: |  |  |  |  |
| 71.00 | Total obligations | 844,505 | 7,343,815 | 15,039,094 |
|  | Obligated balance, start of year: |  |  |  |
| 72.10 | Receivables from other government accounts ......... | $\ldots . . . . . . . . . . . .$. | -29,486 | -299,636 |
| 72.90 | Unpaid obligations ........................................... | $\ldots$ | 443,014 | 2,005,565 |
| Obligated balance, end of year: |  |  |  |  |
| 74.10 | Receivables from other government accounts .......... | 29,486 | 299,636 | 4,443 |
| 74.90 | Unpaid obligations ............................................ | -443,014 | -2,005,565 | -3,451,432 |
| 87.00 | Financing disbursements (gross) .......................... | 430,977 | 6,051,414 | 13,298,034 |


| Adjustments to financing authority and financing disbursements: |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: |
| Offsetting collections from: |  |  |  |  |
| Federal sources: |  |  |  |  |
| Payments from subsidy account: |  |  |  |  |
| 88.00 | Stafford | -72,510 | -746,948 | $-1,245,347$ |
| 88.00 | Unsubsidized Stafford | 13,107 | -28,480 | 52,179 |
| 88.00 | PLUS | 3,677 | 39,893 | 98,731 |
| 00 | Consolidated |  | -52,381 | 15,394 |
| Interest on uninvested funds: |  |  |  |  |
| 88.25 | Stafford | -16,876 |  |  |
| 88.25 | Unsubsidized Stafford ............................... | -7,150 | ................. |  |
| 25 | PLUS | -3,304 | ................. |  |
| 25 | Consolidated |  |  |  |
| Non-Federal sources: |  |  |  |  |
| Stafford loans: |  |  |  |  |
| 88.40 | Repayment of principal .............................. | -10 | -3,213 | -30,428 |
| . 40 | Interest received on loans ........................... |  | -4,436 | -52,990 |
| . 40 | Fees | -3,525 | -86,493 | -261,146 |
| 88.40 | Recoveries of defaults |  | -318 | -5,862 |
| Unsubsidized Stafford loans: |  |  |  |  |
| 88.40 | Repayment of principal ............................. | -4 | -1,131 | -13,284 |
| 88.40 | Interest received on loans .............................. |  | -1,226 | -17,337 |
| 88.40 | Fees | -1,493 | 34,337 | 112,416 |
| 88.40 | Recoveries of defaults |  | -75 | -1,735 |
| PLUS loans: |  |  |  |  |
| 88.40 | Repayment of principal ................................ | -2 | -12,034 | -45,846 |
| 40 | Interest received on loans |  | -21,485 | -74,879 |
| 88.40 | Fees .. | -691 | 9,917 | 31,546 |
| 40 | Recoveries of defaults |  | -318 | -5,862 |
| Consolidated loans: |  |  |  |  |
|  | Payment of Principal ... |  | -60,614 | -216,707 |
| 88.40 | Interest received on loans | ................ | -68,470 | -244,892 |
| 88.40 | Fees |  |  |  |
| 88.40 | Recoveries of defaults | ............ | ..... | -381 |
| 88.90 | Total, offsetting collections .............................. | -88,781 | -1,003,475 | -1,906,430 |
| 89.00 | Financing authority (net) ........................................ | 755,736 | 6,340,340 | 13,132,664 |

90.00 Financing disbursements (net) $342,196 \quad 5,047,939 \quad 11,391,604$

Status of Direct Loans (in thousands of dollars)

| Identification code 91-4253-0-3-502 | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: |
| STAFFORD |  |  |  |
| Position with respect to appropriations act limitation on obligations: |  |  |  |
| 1111 Limitation on direct loans ........................................ |  |  |  |
| 1131 Direct loan obligations exempt from limitation ........... | 502,151 | 3,505,680 | 7,527,540 |
| 1150 Total direct loan obligations ................................. | 502,151 | 3,505,680 | 7,527,540 |
| Cumulative balance of direct loans outstanding: |  |  |  |
| 1210 Outstanding, start of year ....................................... |  | 191,986 | 2,444,288 |
| 1231 Disbursements: Direct loan disbursements ................. | 191,996 | 2,256,859 | 6,528,658 |
| 1251 Repayments: Repayments and prepayments Write-offs for default: | -10 | -3,213 | -30,428 |
| 1263 Direct loans ...................................................... | .............. | -1,253 | -14,415 |
| 1264 Other adjustments, net ....................................... | ........... | -91 | -621 |
| 1290 Outstanding, end of year ..................................... | 191,986 | 2,444,288 | 8,927,482 |


| UNSUBSIDIZED STAFFORD <br> Position with respect to appropriations act limitation on obligations: |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: |
| 1111 | Limitation on direct loans ..................................... |  |  |  |
| 1131 | Direct loan obligations exempt from limitation ........... | 212,779 | 1,465,128 | 3,139,065 |
| 1150 | Total direct loan obligations ................................ | 212,779 | 1,465,128 | 3,139,065 |
| Cumulative balance of direct loans outstanding: |  |  |  |  |
| 1210 | Outstanding, start of year ..................................... |  | 81,351 | 998,031 |
| 1231 | Disbursements: Direct loan disbursements | 81,355 | 918,198 | 2,810,407 |
| 1251 | Repayments: Repayments and prepayments $\qquad$ Write-offs for default: | -4 | -1,131 | -13,284 |
| 1263 | Direct loans ............................................................... |  | -356 | -4,876 |
| 1264 | Other adjustments, net ..................................... | ......... | -31 | -233 |
| 1290 | Outstanding, end of year ................................... | 81,351 | 998,031 | 3,790,045 |

PLUS
Position with respect to appropriations act limitation on obligations:

| 1111 | Limitation on direct loans |  |  |  |
| :---: | :---: | :---: | :---: | :---: |
| 1131 | Direct loan obligations exempt from limitation ..... | 98,325 | 416,883 | 892,068 |
| 1150 | Total direct loan obligations ............................. | 98,325 | 416,883 | 892,0 |


| Cumulative balance of direct loans outstanding: |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: |
| 1210 | Outstanding, start of year ................................ |  | 37,592 | 314,089 |
| 1231 | Disbursements: Direct loan disbursements | 37,594 | 291,476 | 788,641 |
| 1251 | Repayments: Repayments and prepayments ................ | -2 | -12,034 | -45,846 |
|  | Write-offs for default: |  |  |  |
| 1263 | Direct loans |  | -2,734 | -9,659 |
| 1264 | Other adjustments, net ....................................... | ............. | -211 | -714 |
| 1290 | Outstanding, end of year ................................... | 37,592 | 314,089 | 1,046,511 |
| CONSOLIDATED LOANS <br> Position with respect to appropriations act limitation on obligations: |  |  |  |  |
|  |  |  |  |  |
| 1111 | Limitation on direct loans ........................................ |  |  |  |
| 1131 | Direct loan obligations exempt from limitation |  | 1,704,484 | 2,585,800 |
| 1150 | Total direct loan obligations ................................ |  | 1,704,484 | 2,585,800 |
| Cumulative balance of direct loans outstanding: |  |  |  |  |
| 1210 | Outstanding, start of year .................................... |  |  | 1,629,290 |
| 1231 | Disbursements: Direct loan disbursements ................. |  | 1,704,484 | 2,585,800 |
| 1251 | Repayments: Repayments and prepayments ................ |  | -60,614 | -216,707 |
|  | Write-offs for default: |  |  |  |
| 1263 | Direct loans |  | -13,554 | -48,468 |
| 1264 | Other adjustments, net ........................................ | ............... | -1,026 | -3,668 |
| 1290 | Outstanding, end of year ................................... | $\ldots$ | 1,629,290 | 3,946,247 |

Balance Sheet (in thousands of dollars)

| Identification code91-4253-0-3-502 | 1993 actual | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: | :---: |
| ASSETS: |  |  |  |  |
| 1101 Federal assets: Fund balances with Treasury | , | 29,486 | 316,438 | 366,887 |

Credit accounts-Continued
Federal Direct Student Loan Program, Financing AccountContinued

Balance Sheet (in thousands of dollars)- Continued


As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from Direct Loans. The amounts in this account are a means of financing and are not included in the budget totals.
Federal Direct Student Loan Program, Financing Account (Legislative proposal, subject to PAYGO)
Program and Financing (in thousands of dollars)

| Identifi | tion code 91-4253-4-3-502 | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: | :---: |
| Program by activities: |  |  |  |  |
| 01.01 | Stafford |  |  | 2,900,490 |
| 01.02 | Unsubsidized Stafford |  |  | 1,209,710 |
| 01.03 | PLUS |  |  | 333,114 |
| 01.04 | Consolidated | .................. | ................. | 561,983 |
| 01.91 | Subtotal, Direct Loans obligations |  |  | 5,005,297 |
| 02.01 | Stafford ......... |  |  | 9,146 |
| 02.02 | Unsubsidized Stafford |  |  | 2,841 |
| 02.03 | PLUS |  |  | 608 |
| 02.04 | Consolidated |  |  | 2,259 |
| 02.91 | Subtotal, Payment of origination services |  |  | 14,854 |
| 03.01 | Interest on Treasury borrowing ................................ |  |  | 130,444 |
| 10.00 | Total obligations |  |  | 5,150,595 |
| Financing: |  |  |  |  |
| 39.00 | Financing authority (gross) .................................... |  |  | 5,150,595 |
|  | Financing authority: |  |  |  |
| 67.15 | Authority to borrow (indefinite) ........................... |  |  | 4,618,556 |
| 68.00 | Spending authority from offsetting collections ........ | .................. | .................. | 532,039 |
| Relation of obligations to financing disbursements: |  |  |  |  |
| 71.00 | Total obligations .................................................. |  |  | 5,150,595 |
|  | Obligated balance, start of year: |  |  |  |
| 72.10 | Receivables from other government accounts .......... | .................. |  |  |
| 72.90 | Unpaid obligations: Fund balance ........................ | .................. |  |  |
| Obligated balance, end of year: |  |  |  |  |
| 74.10 | Receivables from other government accounts ......... |  |  | 195,330 |
| 74.90 | Unpaid obligations: Fund balance ........................ | ......... | ...... | -1,286,461 |
| 87.00 | Financing disbursements (gross) ......................... | . | .................. | 4,059,464 |

Adjustments to financing authority and financing disbursements:
Offsetting collections from: Federal sources


Status of Direct Loans (in thousands of dollars)


| Cumulative balance of direct loans outstanding: |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: |
| 1210 | Outstanding, start of year |  |  |  |
| 1231 | Disbursements: Direct loan disbursements |  |  | 1,914,903 |
| 1251 | Repayments: Repayments and prepayments ................ | .................. | .................. | -1,661 |
|  | Write-offs for default: |  |  |  |
| 1263 | Direct loans |  |  | -831 |
| 1264 | Other adjustments, net |  | ................. | -33 |
| 1290 | Outstanding, end of year .................................... |  |  | 1,912,378 |
| UNSUBSIDIZED STAFFORD <br> Position with respect to appropriations act limitation on obligations: |  |  |  |  |
|  |  |  |  |  |
| 1111 | Limitation on direct loans .................................... |  |  |  |
| 1131 | Direct loan obligations exempt from limitation ........... | ................. |  | 1,209,710 |
| 1150 | Total direct loan obligations ................................ |  |  | 1,209,710 |
| Cumulative balance of direct loans outstanding: |  |  |  |  |
| 1210 | Outstanding, start of year .................................... | ................. | ................. |  |
| 1231 | Disbursements: Direct loan disbursements ................. | ................ |  | 821,635 |
| 1251 | Repayments: Repayments and prepayments $\qquad$ Write-offs for default: |  |  | -656 |
| 1263 | Direct loans ............................................................... | ................. | .................. | -321 |
| 1264 | Other adjustments, net ........................................ | ..... | .................. | -15 |
| 1290 | Outstanding, end of year ................................... | .................. | .................. | 820,643 |

## PLUS

Position with respect to appropriations act limitation on obligations:
1111 Limitation on direct loans ......................................
1131 Direct loan obligations exempt from limitation ............ .................. .................. 333,114

1150 Total direct loan obligations .................................. .................. ................... 333,114
Cumulative balance of direct loans outstanding:


| CONSOLIDATED LOANS <br> Position with respect to appropriations act limitation on obligations: |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: |
| 1111 | Limitation on direct loans ....................................... |  |  |  |
| 1131 | Direct Ioan obligations exempt from limitation ............ |  | ................. | 561,983 |
| 1150 | Total direct loan obligations ................................ |  |  | 561,983 |
| Cumulative balance of direct loans outstanding: |  |  |  |  |
| 1210 | Outstanding, start of year ........................................ | .................. | .................. |  |
| 1231 | Disbursements: Direct loan disbursements |  |  | 561,983 |
| 1251 | Repayments: Repayments and prepayments ................ | ................. | ................. | -19,477 |
|  | Write-offs for default: |  |  |  |
| 1263 | Direct loans ...................................................... |  |  | -4,585 |
| 1264 | Other adjustments, net |  |  | -347 |
| 1290 | Outstanding, end of year .................................... | ................. | ............... | 537,574 |



## Federal Family Education Loan Program Account

For Federal administrative expenses to carry out guaranteed student loans authorized by title IV, part B, of the Higher Education Act, as amended, [\$62,191,000], $\$ 30,066,000$. (Department of Education Appropriations Act, 1995.)

Note.-The following tables display the program account which includes the subsidy costs and administrative expenses associated with guaranteed student loan commitments after 1992.

| Unavailable Collections (in thousands of dollars) |  |  |  |
| :---: | :---: | :---: | :---: |
| Identification code 91-0231-0-1-502 | 1994 actual | 1995 est. | 1996 est. |
| Balance, start of year: |  |  |  |
| 01.99 Balance, start of year |  | 93,432 | 93,432 |
| Receipts: |  |  |  |
| 02.02 Federal family education loan program, negative subsidies $\qquad$ | 93,432 | ................. | .......... |
| 02.99 Total receipts .................................................. | 93,432 | .................. | .................. |
| 04.00 Total: Balances and collections ............................ | 93,432 | 93,432 | 93,432 |
| 07.99 Total balance, end of year .................................... | 93,432 | 93,432 | 93,432 |


| Program and Financing (in thousands of dollars) |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: |
| Identifica | cation code 91-0231-0-1-502 | 1994 actual | 1995 est. | 1996 est. |
| 02.01 | Stafford .......... | 2,537,156 | 2,941,289 | 2,101,690 |
| 02.02 | Unsubsidized Stafford | 128,988 | 271,357 | 181,871 |
| 02.03 | PLUS | 9,160 | 25,623 | 17,824 |
| 02.04 | SLS | 48,448 |  |  |
| 02.05 | Consolidated | 1,646 | 70,085 | 88,813 |
| 02.07 | Upward reestimate ......................................... | 186,383 | 420,532 |  |
| 02.08 | Interest on reestimate ...................................... | 21,251 | 44,847 |  |
| 02.91 | Subtotal, subsidy cost ................................... | 2,933,032 | 3,773,733 | 2,390,198 |
|  | Administrative expenses: |  |  |  |
| 07.01 | Administrative expenses due to limitations ............ | 69,917 | 62,191 | 30,066 |
| 07.91 | Subtotal, administrative expenses | 69,917 | 62,191 | 30,066 |
| 10.00 | Total obligations | 3,002,949 | 3,835,924 | 2,420,264 |
| Financing: |  |  |  |  |
| 25.00 | Unobligated balance expiring .................................... | 49 | ................ |  |
| 39.00 | Budget authority ............................................. | 3,002,998 | 3,835,924 | 2,420,264 |
| Budget authority: |  |  |  |  |
|  | Current: |  |  |  |
| 40.00 | Appropriation (Federal Administration) .... | 69,966 | 62,191 | 30,066 |
|  | Permanent: |  |  |  |
| 60.05 | Appropriation (indefinite) ................................... | 2,933,032 | 3,773,733 | 2,390,198 |
| Relation of obligations to outlays: |  |  |  |  |
| 71.00 | Total obligations ................................................ | 3,002,949 | 3,835,924 | 2,420,264 |
| 72.40 | Obligated balance, start of year: Unpaid obligations: <br> Treasury balance $\qquad$ | 1,330,321 | 1,590,446 | 2,143,144 |
| 74.40 | Obligated balance, end of year: Unpaid obligations: <br> Treasury balance $\qquad$ | -1,590,446 | -2,143,144 | -2,103,717 |
| 89.00 | Budget authority (net) ......................................... | 3,002,998 | 3,835,924 | 2,420,264 |
| 90.00 | Outlays .......................................................... | 2,742,824 | 3,283,226 | 2,459,691 |

## Summary of Budget Authority and Outlays

[In thousands of dollars]
1994 actual 1995 est. 1996 est.

| Enacted/requested: |  |  |  |
| :---: | :---: | :---: | :---: |
| Budget Authority | 3,002,998 | 3,835,924 | 2,420,264 |
| Outlays | 2,742,824 | 3,283,226 | 2,459,691 |
| Legislative proposal, subject to PAYGO: |  |  |  |
| Budget Authority .... | $\ldots . . . . . . . .$. | $\ldots . . . . . . . . . . . .$. | -769,708 |
| Outlays ................................................................... | ............... | ................ | -512,322 |
| Total: |  |  |  |
| Budget Authority .................................................................... | 3,002,998 | 3,835,924 | 1,650,556 |
| Outlays ................................................................... | 2,742,824 | 3,283,226 | 1,947,369 |

## Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in

 thousands of dollars)

Credit accounts-Continued
Federal Family Education Loan Program Account-Continued
Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in thousands of dollars)- Continued

| Identification code 91-0231-0-1-502 |  | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: | :---: |
| Guaranteed loan subsidy outlays: |  |  |  |  |
| 2340 | Stafford | 2,297,852 | 2,427,363 | 2,125,582 |
| 2340 | Unsubsidized Stafford .............................................. | 72,970 | 239,124 | 187,763 |
| 2340 | PLUS | 17,985 | 18,714 | 18,053 |
| 2340 | SLS | 100,876 | 3,294 |  |
| 2340 | Consolidated |  | 69,579 | 86,147 |
| 2340 | Upward reestimate ............................................... | 207,634 | 465,379 | ............... |
| 2349 | Total subsidy outlays ........................................ | 2,697,317 | 3,223,453 | 2,417,545 |
| Administrative expense data: |  |  |  |  |
| 3510 | Budget authority ................................................... | 69,917 | 62,191 | 30,066 |
| 3590 | Outlays .............................................................. | 45,507 | 59,773 | 42,146 |

As required by the Federal Credit Reform Act of 1990, this program account records for this program the subsidy costs associated with Federal Family Education Loans (FFEL), formerly guaranteed student loans (GSL), committed in 1992 and beyond, as well as certain administrative expenses of the program. Administrative expenses include discretionary expenses for salaries, expenses and overhead of employees working directly on the program. Beginning with the 1993 cohort, mandatory administrative costs, specifically contract collection costs and supplemental pre-claims assistance, are included in the FFEL subsidy estimates of each year's cohort. The subsidy amounts are estimated on a net present value basis.

A description of the FFEL program and accompanying tables are included under the Federal Direct Student Loan program account.


| Personnel Summary |  |  |  |
| :---: | :---: | :---: | :---: |
| Identification code 91-0231-0-1-502 | 1994 actual | 1995 est. | 1996 est. |
| 1001 Total compensable workyears: Full-time equivalent employment | 461 | 495 | 330 |

Federal Family Education Loan Program Account
(Legislative proposal, subject to PAYGO)
Program and Financing (in thousands of dollars)

| Identifi | ation code 91-0231-4-1-502 | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: | :---: |
| Program by activities: |  |  |  |  |
| 02.01 | Guaranteed Ioan subsidy: Stafford ........................... | ................. | ................. | -662,759 |
| 02.02 | Unsubsidized Stafford .............................................. | ............. | ............... | -57,352 |
| 02.03 | PLUS ............................................................... | .................. | .................. | -5,475 |
| 02.05 | Consolidated .................................................... | .................. | ...... | -44,122 |
| 10.00 | Total obligations |  |  | -769,708 |
| Financing: |  |  |  |  |
| 60.05 | Budget authority (appropriation) (indefinite) ...... | ..... | ........ | -769,708 |


| Relation of obligations to outlays: |  |  |  |
| :---: | :---: | :---: | :---: |
| 71.00 | Total obligations |  | -769,708 |
| 74.40 | Obligated balance, end of year: Unpaid obligations: <br> Treasury balance $\qquad$ | .................. | 257,386 |
| 89.00 | Budget authority (net) | ................. | - 769,708 |
| 90.00 | Outlays | .......... | -512,322 |

A description of the Administration's proposed legislation to accelerate the phase-out of the Federal Family Education Loan program is included under the Federal Direct Student Loan program account.

## Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in thousands of dollars)

| Identification code 91-0231-4-1-502 | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: |
| Guaranteed loan levels supportable by subsidy budget authority: |  |  |  |
| 2150 Stafford ................................................................ |  |  | -2,901,304 |
| 2150 Unsubsidized Stafford ............................................. | ................. |  | -1,209,964 |
| 2150 PLUS |  |  | - 333,865 |
| 2150 Consolidated ........................................................ | ................. | ................. | - 561,350 |
| 2159 Total loan guarantee levels $\qquad$ Guaranteed loan subsidy budget authority: | ................. |  | -5,006,483 |
| 2330 Stafford ................................................................ | ... | ... | -662,758 |
| 2330 Unsubsidized Stafford ............................................. | ................. | .................. | - 57,352 |
| 2330 PLUS ................................................................... |  |  | -5,475 |
| 2330 Consolidated ......................................................... | ................. | ................. | -44,123 |
| 2339 Total subsidy budget authority $\qquad$ Guaranteed loan subsidy outlays: | ... | ................. | -769,708 |
| 2340 Stafford ................................................................ |  |  | -428,599 |
| 2340 Unsubsidized Stafford |  |  | -37,286 |
| 2340 PLUS |  |  | -3,638 |
| 2340 Consolidated ......................................................... | ................. | .... | -42,799 |
| 2349 Total subsidy outlays .......................................... | ................ | .......... | - 512,322 |


| Identification code 91-0231-4-1-502 |  | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: | :---: |
| Personnel compensation: |  |  |  |  |
| 11.1 | Full-time permanent |  |  | -7,993 |
| 11.5 | Other personnel compensation ................................ | ................. | ................. | -1 |
| 11.9 | Total personnel compensation |  |  | -7,994 |
| 12.1 | Civilian personnel benefits |  |  | -1,624 |
| 21.0 | Travel and transportation of persons |  |  | -540 |
| 22.0 | Transportation of things ...................................... |  |  | -1 |
| 23.1 | Rental payments to GSA |  |  | -800 |
| 23.3 | Communications, utilities, and miscellaneous charges | .................. |  | 64 |
| 24.0 | Printing and reproduction ..................................... |  |  | -1,374 |
| 25.2 | Other services |  |  | -20,940 |
| 25.3 | Purchases of goods and services from Government accounts $\qquad$ |  |  | -905 |
| 26.0 | Supplies and materials |  |  | -112 |
| 31.0 | Equipment ......................................................... | ...... |  | -280 |
| 41.0 | Grants, subsidies, and contributions ......................... | ................. |  | -735,202 |
| 99.9 | Total obligations |  |  | -769,708 |

Federal Family Education Loan Program Financing Account
Note.-The financing account includes all cash flows to and from the government from guaranteed student loans committed after 1991.

Program and Financing (in thousands of dollars)

| Identifi | ation code 91-4251-0-3-502 | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: | :---: |
| Program by activities: |  |  |  |  |
| Stafford loans: |  |  |  |  |
| 01.01 | Interest benefits | 919,800 | 1,994,212 | 2,100,694 |
| 01.02 | Special allowance | 32,960 | 152,596 | 161,200 |
| 01.03 | Default claims | 420,650 | 854,053 | 1,268,516 |
| 01.04 | Death, disability, and bankruptcy claims | 12,074 | 20,236 | 25,882 |
| 01.05 | Administrative cost allowances to guarantee agen- <br> cies $\qquad$ | 23,000 |  |  |
| 01.06 | Supplemental preclaims assistance ...................... | 1,538 | 4,806 | 6,399 |
| 01.07 | Contract collection costs ................................... | 1,613 | 5,345 | 11,186 |
| 01.91 | Subtotal, Stafford loans Unsubsidized Stafford loans: | 1,411,635 | 3,031,248 | 3,573,877 |
| 02.02 | Special allowance |  | 3,706 | 7,232 |
| 02.03 | Default claims | 7,104 | 43,477 | 195,561 |
| 02.04 | Death, disability, and bankruptcy claims | 1,806 | 3,847 | 5,975 |
| 02.05 | Administrative cost allowances to guarantee agencies $\qquad$ | 64 |  |  |
| 02.06 | Supplemental preclaims assistance ..................... | 54 | 203 | 819 |
| 02.07 | Contract collection costs ..................................... | 37 | 205 | 1,093 |
| 02.91 | Subtotal, Unsubsidized Stafford Ioans $\qquad$ PLUS loans: | 9,065 | 51,438 | 210,680 |
| 03.03 | Default claims | 69,539 | 114,662 | 126,651 |
| 03.04 | Death, disability, and bankruptcy claims ................ | 3,065 | 3,707 | 4,751 |
| 03.05 | Administrative cost allowances to guarantee agencies $\qquad$ | 2,159 |  |  |
| 03.06 | Supplemental preclaims assistance ..................... | 774 | 610 | 616 |
| 03.07 | Contract collection costs ...................................... | 112 | 358 | 706 |
| 03.91 | Subtotal, PLUS loans | 75,649 | 119,337 | 132,724 |
| SLS loans: |  |  |  |  |
| 04.03 | Default claims | 214,717 | 325,475 | 262,460 |
| 04.04 | Death, disability and bankruptcy claims ................ | 1,547 | 1,664 | 1,883 |
| 04.05 | Administrative cost allowances to guarantee agencies $\qquad$ | 97 |  |  |
| 04.06 | Supplemental preclaims assistance ..................... | 1,326 | 1,824 | 1,340 |
| 04.07 | Contract collection costs .................................... | 351 | 1,166 | 2,208 |
| 04.91 | Subtotal, SLS loans | 218,038 | 330,129 | 267,891 |
| Noncontractual modification: |  |  |  |  |
|  | Consolidation Ioans: |  |  |  |
| 05.03 | Default claims |  |  | 31,123 |
| 05.04 | Death, disability, and bankruptcy claims ........... | ................ | 473 | 928 |
| 05.91 | Subtotal, Consolidations loans .................... |  | 473 | 32,051 |
| 07.01 | Interest paid to Treasury ...................................... | 151,705 | .............. |  |
| 08.01 | Payment of downward reestimate to receipt account | 88,526 | ................ |  |
| 09.01 | Interest on downward reestimate ............................... | 4,906 | ............. | ............ |
| 10.00 | Total obligations | 1,959,524 | 3,532,625 | 4,217,223 |
| Financing: |  |  |  |  |
| 17.00 | Recovery of prior year obligations ........................... | -17,671 | .................. |  |
| 21.90 | Unobligated balance available, start of year: Fund balance $\qquad$ | -4,311,263 | -6,358,860 | -7,357,210 |
| 24.90 | Unobligated balance available, end of year: Fund balance $\qquad$ | 6,358,860 | 7,357,210 | 6,354,576 |
| 32.47 | Balance of authority to borrow withdrawn ................... | 296,610 | .................. |  |
| 39.00 | Financing authority (gross) ................................ | 4,286,060 | 4,530,975 | 3,214,589 |
| Financing authority: |  |  |  |  |
| 68.00 | Spending authority from offsetting collections ........ | 4,739,152 | 5,120,424 | 3,752,134 |
| 68.47 | Portion applied to debt reduction .......................... | -453,092 | -589,449 | -537,545 |
| 68.90 | Spending authority from offsetting collections (total) $\qquad$ | 4,286,060 | 4,530,975 | 3,214,589 |
| Relation of obligations to financing disbursements: |  |  |  |  |
| 71.00 | Total obligations ....................................... | 1,959,524 | 3,532,625 | 4,217,223 |
|  | Obligated balance, start of year: |  |  |  |
| 72.10 | Receivables from program account ...................... | -716,976 | -1,138,451 | -2,143,144 |
| 72.40 | Unpaid obligations: Treasury balance ................... |  |  | 529,893 |
| Obligated balance, end of year: |  |  |  |  |
| 74.10 | Receivables from program account ........................ | 1,138,451 | 2,143,144 | 2,103,717 |
| 74.40 | Unpaid obligations: Treasury balance ................... |  | -529,893 | -632,584 |
| 77.00 | Adjustments in expired accounts ............................ | 296,610 | ............. |  |
| 78.00 | Adjustments in unexpired accounts ......................... | -17,671 | .... | ................. |


| 87.00 | Financing disbursements (gross) ...... | 2,659,938 | 4,007,425 | 4,075,105 |
| :---: | :---: | :---: | :---: | :---: |
| Adjustments to financing authority and financing disbursements: |  |  |  |  |
| Offsetting collections from: |  |  |  |  |
| Payment from subsidy account: |  |  |  |  |
|  | Federal sources: |  |  |  |
| 88.00 | Stafford loans | -2,537,156 | -2,729,515 | -1,950,370 |
| 88.00 | Unsubsidized Stafford | -128,988 | -252,634 | -169,687 |
| 88.00 | PLUS Ioans | -9,160 | -23,830 | -16,575 |
| 88.00 | SLS loans | -48,448 |  |  |
| 88.00 | Consolidated | -1,646 | -67,983 | -86,148 |
| 88.00 | Upward reestimate | - 207,634 | -465,379 |  |
| 88.00 | Scheduled payments from Liquidating account for noncontractual modifications $\qquad$ | -604,797 | - 589,449 | - 537,545 |
| 88.25 | Interest on uninvested funds: Stafford loans Non-Federal sources: | -287,866 | -38,937 | -63,147 |
|  | Stafford Ioans: |  |  |  |
| 88.40 | Recoveries on defaults ............................... | -49,892 | -112,018 | -235,105 |
| 88.40 | Origination fees ........................................ | -601,138 | -475,383 | -318,500 |
| 88.40 | State default fees |  |  | -36,521 |
| 88.40 | Sallie Mae offset fees | .................. | -29,000 | -38,000 |
| 88.40 | Consolidated loan holder fees ..................... | ................. | -25,600 | -40,600 |
| 88.40 | Unsubsidized Stafford- Recoveries on defaults $\qquad$ | -978 | -4,313 | -23,144 |
| Unsubsidized Stafford loans: |  |  |  |  |
| 88.40 | Origination fees ....................................... | - 107,644 | -201,263 | -132,522 |
| 88.40 | PLUS- Recoveries on defaults ..................... | -4,213 | -7,512 | -14,821 |
| 88.40 | Origination fees ........................................ | -49,226 | -56,005 | -37,401 |
| PLUS loans: |  |  |  |  |
| 88.40 | SLS- Recoveries on defaults ....................... | -13,173 | -24,457 | -46,341 |
| 88.40 | Origination fees ......... | -81,483 | -10,072 |  |
| SLS loans: |  |  |  |  |
| 88.40 | Origination fees ......................................... | -5,710 | -7,074 | -5,443 |
| 88.90 | Total, offsetting collections .............................. | -4,739,152 | -5,120,424 | -3,752,134 |
| 89.00 | Financing authority (net) ....................................... | -453,092 | -589,449 | -537,545 |
| 90.00 | Financing disbursements (net) ............................... | -2,079,214 | -1,112,999 | 322,971 |

Status of Guaranteed Loans (in thousands of dollars)

| Identification code 91-4251-0-3-502 |  | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: | :---: |
| STAFFORD <br> Position with respect to appropriations act limitation on commitments: |  |  |  |  |
|  |  |  |  |  |
| 2131 | Guaranteed loan commitments exempt from limitation | 13,926,097 | 12,076,050 | 9,200,400 |
| 2150 | Total guaranteed loan commitments | 13,926,097 | 12,076,050 | 9,200,400 |
| Cumulative balance of guaranteed loans outstanding: |  |  |  |  |
| 2210 | Outstanding, start of year | 16,228,000 | 28,016,251 | 38,476,631 |
| 2231 | Disbursements of new guaranteed loans ................... | 13,301,838 | 12,323,413 | 9,100,004 |
| 2251 | Repayments and prepayments Adjustments: | -1,121,885 | -1,026,258 | -2,358,369 |
| 2261 | Terminations for default that result in loans receivable $\qquad$ | -379,628 | -816,539 | -1,248,384 |
| 2263 | Terminations for default that result in claim payments $\qquad$ | -12,074 | -20,236 | -25,882 |
| 2290 | Outstanding, end of year .................................... | 28,016,251 | 38,476,631 | 43,944,000 |


$28,016,251 \quad 38,476,631 \quad 43,944,000$
Addendum:
Cumulative balance of defaulted guaranteed loans that result in loans receivable:

| 2310 | Outstanding, start of year | 53,626 | 377,395 | 1,068,520 |
| :---: | :---: | :---: | :---: | :---: |
| 2331 | Disbursements for guaranteed loan claims ............. | 379,628 | 816,539 | 1,248,384 |
| 2351 | Repayments of loans receivable ................... | -49,892 | - 112,017 | -235,104 |
| 2361 | Write-offs of loans receivable ............................... | -5,967 | -13,397 | -28,120 |
| 2390 | Outstanding, end of year ................................. | 377,395 | 1,068,520 | 2,053,680 |

UNSUBSIDIZED STAFFORD
Position with respect to appropriations act limitation on commitments:
2131 Guaranteed loan commitments exempt from limitation 4,209,194 5,053,195 3,836,947
2150 Total guaranteed loan commitments ....................... 4, 209,194 5,053,195 3,836,947

Cumulative balance of guaranteed loans outstanding:
2210 Outstanding, start of year ....................................... 514,000 3,128,052 7,210,283

## Credit accounts-Continued

## Federal Family Education Loan Program Financing Account-Continued

Status of Guaranteed Loans (in thousands of dollars)- Continued

| Identification code 91-4251-0-3-502 |  | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: | :---: |
| 2231 | Disbursements of new guaranteed loans ................... | 2,740,430 | 4,246,860 | 4,049,971 |
| 2251 | Repayments and prepayments $\qquad$ <br> Adjustments: | -118,323 | -121,436 | -155,054 |
| 2261 | Terminations for default that result in loans receivable $\qquad$ | -6,249 | -39,346 | -178,768 |
| 2263 | Terminations for default that result in claim payments $\qquad$ | -1,806 | -3,847 | -5,975 |
| 2290 | Outstanding, end of year .................................... | 3,128,052 | 7,210,283 | 10,920,457 |

Memorandum:
2299 Guaranteed amount of guaranteed loans outstanding,
end of year ......................................................... 3,128,052 7,210,283 10,920,457

| Addendum: |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: |
| Cumulative balance of defaulted guaranteed loans that result in loans receivable: |  |  |  |  |
| 2310 | Outstanding, start of year ................................ |  | 5,154 | 39,671 |
| 2331 | Disbursements for guaranteed loan claims ............. | 6,249 | 39,346 | 178,768 |
| 2351 | Repayments of loans receivable .......................... | -978 | -4,313 | -23,144 |
| 2361 | Write-offs of loans receivable ............................. | -117 | -516 | -2,768 |
| 2390 | Outstanding, end of year ................................ | 5,154 | 39,671 | 192,527 |

PLUS

Position with respect to appropriations act limitation on commitments:
2131 Guaranteed loan commitments exempt from limitation
2150 Total guaranteed loan commitments ........................
$\underline{1,484,575} \quad \underline{1,431,425} \quad 1,086,800$

Cumulative balance of guaranteed loans outstanding: 2210 Outstanding, start of year
2231 Disbursements of new guaranteed loans ...................... $1,260,363 \quad 1,457,239 \quad 1,068,613$
Adjustments:
2261 Terminations for default that result in loans receivable ..............................................................
$-65,183-111,652 \quad-129,203$
2263 Terminations for default that result in claim payments

## 2290 Outstanding, end of year .....................................

Memorandum:
2299 Guaranteed amount of guaranteed loans outstanding, end of year
$2,675,151-3,652,337-4,120,597$

| Addendum: |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: |
| Cumulative balance of defaulted guaranteed loans that result in loans receivable: |  |  |  |  |
| 2310 | Outstanding, start of year .................................. | 22,278 | 82,744 | 185,986 |
| 2331 | Disbursements for guaranteed loan claims ............. | 65,183 | 111,652 | 129,203 |
| 2351 | Repayments of loans receivable .......................... | -4,213 | -7,512 | -14,821 |
| 2361 | Write-offs of loans receivable ....... | -504 | -898 | -1,773 |
| 2390 | Outstanding, end of year ................................ | 82,744 | 185,986 | 298,595 |
| SLS |  |  |  |  |
| Position with respect to appropriations act limitation on commitments: |  |  |  |  |
| 2131 | Guaranteed loan commitments exempt from limitation | 2,027,388 |  |  |
| 2150 | Total guaranteed loan commitments ...................... | 2,027,388 |  |  |
| Cumulative balance of guaranteed loans outstanding: |  |  |  |  |
| 2210 | Outstanding, start of year ..................................... | 3,018,000 | 4,841,232 | 5,062,516 |
| 2231 | Disbursements of new guaranteed loans ................... | 2,761,266 | 576,755 |  |
| 2251 | Repayments and prepayments <br> Adjustments: | -739,317 | -34,184 | -56,591 |
| 2261 | Terminations for default that result in loans receivable $\qquad$ | - 197,170 | -319,623 | -281,387 |
| 2263 | Terminations for default that result in claim payments $\qquad$ | -1,547 | -1,664 | -1,883 |
| 2290 | Outstanding, end of year ................................... | 4,841,232 | 5,062,516 | 4,722,655 |


| Memorandum: |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: |
| 2299 | Guaranteed amount of guaranteed loans outstanding, end of year $\qquad$ | 4,841,232 | 5,062,516 | 4,722,655 |
| Addendum: |  |  |  |  |
| Cumulative balance of defaulted guaranteed loans that result in loans receivable: |  |  |  |  |
| 2310 | Outstanding, start of year ................................... | 46,056 | 228,478 | 520,719 |
| 2331 | Disbursements for guaranteed loan claims ............. | 197,170 | 319,623 | 281,387 |
| 2351 | Repayments of loans receivable .......................... | -13,173 | -24,457 | -46,341 |
| 2361 | Write-offs of loans receivable ........ | -1,575 | -2,925 | -5,542 |
| 2390 | Outstanding, end of year | 228,478 | 520,719 | 750,223 |
| CONSOLIDATED LOANS |  |  |  |  |
| Position with respect to appropriations act limitation on commitments: |  |  |  |  |
| 2131 | Guaranteed loan commitments exempt from limitation | 1,645,000 | 1,484,854 | 1,129,932 |
| 2150 | Total guaranteed Ioan commitments ..................... | 1,645,000 | 1,484,854 | 1,129,932 |
| Cumulative balance of guaranteed loans outstanding: |  |  |  |  |
| 2210 | Outstanding, start of year ..................................... |  |  | 1,224,524 |
| 2231 | Disbursements of new guaranteed loans .................... |  | 1,414,732 | 1,088,697 |
| 2251 | Repayments and prepayments $\quad . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . ~$ | ................ | -189,736 | -206,708 |
| 2261 | Terminations for default that result in loans receivable $\qquad$ |  |  | -27,376 |
| 2263 | Terminations for default that result in claim payments $\qquad$ |  | -472 | -929 |
| 2290 | Outstanding, end of year ................................... | ................. | 1,224,524 | 2,078,208 |


| Memorandum: |  |  |  |
| :---: | :---: | :---: | :---: |
| 2299 | Guaranteed amount of guaranteed loans outstanding, end of year $\qquad$ | 1,224,524 | 2,078,208 |
| Addendum: |  |  |  |
| Cumulative balance of defaulted guaranteed loans that result in loans receivable: |  |  |  |
| 2310 | Outstanding, start of year ................................. | ................. |  |
| 2331 | Disbursements for guaranteed loan claims ............ |  | 27,376 |
| 2351 | Repayments of loans receivable ............................ | ................... | -264 |
| 2361 | Write-offs of loans receivable ............................... | ................. | -32 |
| 2390 | Outstanding, end of year | ................. | 27,080 |

Balance Sheet (in thousands of dollars)

| Identif | cation code91-4251-0-3-502 | 1993 actual | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: | :---: | :---: |
| ASSETS: |  |  |  |  |  |
| 1101 | Federal assets: Fund balances with Treasury $\qquad$ Net value of assets related to post-1991 acquired defaulted guaranteed loans receivable: | ................. | 6,358,857 | 7,357,210 | 6,354,576 |
| 1501 | Defaulted guaranteed loans receivable, gross |  | 693,770 | 1,814,896 | 3,322,106 |
| 1505 | Allowance for subsidy cost <br> (-) $\qquad$ | ................... | -49,892 | -112,017 | -235,104 |
| 1599 | Net present value of assets related to defaulted guaranteed loans $\qquad$ | ................... | 643,878 | 1,702,879 | 3,087,002 |
|  | Net value of assets related to pre- 1992 direct loans receivable and acquired defaulted guaranteed loans receivable: |  |  |  |  |
| 1701 | Defaulted guaranteed loans, gross $\qquad$ | ................... | 1,616,953 | 1,149,023 | 801,045 |
| 1704 | Defaulted guaranteed loans and interest receivable, net $\qquad$ | .............. | 9,701,718 | 6,894,138 | 4,806,270 |
| 1799 | Value of assets related to loan guarantees ..... | .................... | 1,616,953 | 1,149,023 | 801,045 |
| 1999 | Total assets $\qquad$ IABILITIES: | ................... | 8,619,688 | 10,209,112 | 10,242,623 |
| 2103 | Federal liabilities: Debt .......... | .................... | 2,058,407 | 1,605,314 | 1,134,177 |
| 2999 | Total liabilities .................. | $\ldots . . . . . . . . . . .$. | 2,058,407 | 1,605,314 | 1,134,177 |


| NET POSITION: |  |  | 6,561,281 | 8,603,799 | 9,108,447 |
| :---: | :---: | :---: | :---: | :---: | :---: |
| 3100 | Appropriated capital ............... | .................... |  |  |  |
| 3999 | Total net position ................ | ..................... | 6,561,281 | 8,603,799 | 9,108,447 |
| 4999 | Total liabilities and net position $\qquad$ | ........ | 8,619,688 | 10,209,113 | 10,242,624 |

As required by the Federal Credit Reform Act of 1990, this nonbudgetary account records all cash flows to and from the Government resulting from guaranteed student loans committed in 1992 and beyond. The amounts in this account are a means of financing and are not included in the budget totals.

## Federal Family Education Loan Program Financing Account (Legislative proposal, subject to PAYGO) <br> Program and Financing (in thousands of dollars)

| Identifi | tion code 91-4251-4-3-502 | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: | :---: |
| Program by activities: |  |  |  |  |
| Stafford loans: |  |  |  |  |
| 01.01 | Interest benefits ................................................. |  |  | -185,449 |
| 01.02 | Special allowance |  | .................. | - 132,072 |
| 01.03 | Default claims |  |  | -117,846 |
| 01.04 | Death, disability, and bankruptcy claims ............... |  |  | -1,411 |
| 01.06 | Supplemental preclaims assistance ................... |  |  | -475 |
| 01.07 | Contract collection costs ................................... |  |  | -655 |
| 01.91 | Subtotal, Stafford loans |  |  | -437,908 |
| Unsubsidized Stafford loans: |  |  |  |  |
| 02.01 | Special allowance ............................................ |  | .................. | -248 |
| 02.02 | Default claims |  |  | -16 |
| 02.03 | Death, disability, and bankruptcy claims ............... | .................. | ................. | -375 |
| 02.91 | Subtotal, Unsubsidized Stafford loans ....... |  |  | -639 |
| PLUS loans: |  |  |  |  |
| 03.01 | Default claims .............................................. | .................. | .................. | -11,990 |
| 03.02 | Death, disability, and bankruptcy claims ............... | .................. |  | -1,044 |
| 03.04 | Supplemental preclaims assistance ..................... |  |  | -5 |
| 03.05 | Contract collection costs ................................... | ...... | ..... | 2,000 |
| 03.91 | Subtotal, PLUS Ioans ......................................... |  |  | -11,039 |
| Consolidated loans: |  |  |  |  |
| 04.02 | Death, disability, and bankruptcy claims ............... | .................. | ................ | -181 |
| 04.91 | Subtotal, Consolidated loans ............................... | ........ | .... | -181 |
| 10.00 | Total obligations ............................................... |  | .................. | -449,767 |

## Financing:




| Relation of obligations to financing disbursements: |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: |
| 71.00 | Total obligations ................................................... |  |  | -449,767 |
| Obligated balance, end of year: |  |  |  |  |
| 74.10 | Receivables from other government accounts ......... | .............. | ............... | -257,386 |
| 74.40 | Unpaid obligations: Treasury balance ................... | ................. | ................. | 67,466 |
| 87.00 | Financing disbursements (gross) ........................... | ......... | ................ | -639,687 |



| 88.40 | Origination fees ........................................... |  |  | 65,732 |
| :---: | :---: | :---: | :---: | :---: |
| 88.40 | State default fees ....................................... |  |  | 11,521 |
| 88.40 | Consolidated loan holder fees |  | .................. | 40,600 |
| 88.40 | Unsubsidized Stafford- Origination fees ................ | .................. | .................. | 27,457 |
| 88.40 | PLUS- Origination fees ..................................... | ................. | ................. | 7,767 |
| 88.40 | Consolidated Loans- Origination fees .................. | ................. | ................. | 2,722 |
| 88.90 | Total, offsetting collections .............................. | ................. | .................. | 773,738 |
| 89.00 | Financing authority (net) ......................................... |  |  | -61,406 |
| 90.00 | Financing disbursements (net) ............................... | ................. | $\ldots$ | 134,051 |

Status of Guaranteed Loans (in thousands of dollars)

| Identification code 91-4251-4-3-502 | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: |
| STAFFORD |  |  |  |
| Position with respect to appropriations act limitation on commitments: |  |  |  |
| 2111 Limitation on guaranteed loans made by private lend- <br> ers $\qquad$ |  |  |  |
| 2131 Guaranteed loan commitments exempt from limitation | ................. | ................. | $-2,901,304$ |
| 2150 Total guaranteed loan commitments ...................... | ............... | .............. | -2,901,304 |


| Cumulative balance of guaranteed loans outstanding: |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: |
| 2210 | Outstanding, start of year ....................................... |  |  |  |
| 2231 | Disbursements of new guaranteed loans .................... |  |  | -1,878,052 |
| 2251 | Repayments and prepayments Adjustments: |  |  | -667,749 |
| 2261 | Terminations for default that result in loans receiv- <br> able $\qquad$ |  |  | 103,659 |
| 2263 | Terminations for default that result in claim payments $\qquad$ | ................" | ................. | 1,411 |
| 2290 | Outstanding, end of year ..................................... |  |  | -2,440,731 |
| Memorandum: |  |  |  |  |
| 2299 | Guaranteed amount of guaranteed loans outstanding, end of year $\qquad$ | ............... | ................. | -2,440,731 |


| Addendum: |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: |
| Cumulative balance of defaulted guaranteed loans that result in loans receivable: |  |  |  |  |
| 2310 | Outstanding, start of year ................................... |  |  |  |
| 2331 | Disbursements for guaranteed loan claims ............ |  |  | -103,660 |
| 2351 | Repayments of loans receivable |  |  | 13,909 |
| 2361 | Write-offs of loans receivable .............................. |  |  | 1,664 |
| 2390 | Outstanding, end of year ................................. |  |  | -88,087 |
| UNSUBSIDIZED STAFFORD |  |  |  |  |
| Position with respect to appropriations act limitation |  |  |  |  |
|  | on commitments: |  |  |  |
| 2111 | Limitation on guaranteed loans made by private lenders $\qquad$ |  |  |  |
| 2131 | Guaranteed loan commitments exempt from limitation | ................ | ................. | -1,209,964 |
| 2150 | Total guaranteed loan commitments ..................... |  |  | -1,209,964 |
| Cumulative balance of guaranteed loans outstanding: |  |  |  |  |
| 2210 | Outstanding, start of year ....................................... |  |  |  |
| 2231 | Disbursements of new guaranteed loans ................... |  |  | -1,048,090 |
| 2251 | Repayments and prepayments $\qquad$ Adjustments: | ................. | ................. | - 292,261 |
| 2261 | Terminations for default that result in loans receivable $\qquad$ | ............... | ................. | 3,759 |
| 2263 | Terminations for default that result in claim payments $\qquad$ | . | ............ | 375 |
| 2290 | Outstanding, end of year .................................... | ..... | ................. | -1,336,217 |

Memorandum:
2299 Guaranteed amount of guaranteed loans outstanding, end of year
$-1,336,217$

## Addendum:

Cumulative balance of defaulted guaranteed loans that result in loans receivable:
2310 Outstanding, start of year ...................................................................................................................................................
2351 Repayments of loans receivable
2361 Write-offs of loans receivable


2390 Outstanding, end of year .................................... ................... ................... $-4,538$
$\qquad$

## Credit accounts-Continued <br> Federal Family Education Loan Program Financing Account-Continued



| Memorandum: |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: |
| 2299 | Guaranteed amount of guaranteed loans outstanding, end of year $\qquad$ |  |  | -193,106 |
| Addendum: |  |  |  |  |
| Cumulative balance of defaulted guaranteed loans that result in loans receivable: |  |  |  |  |
| 2310 | Outstanding, start of year ............................. |  |  |  |
| 2331 | Disbursements for guaranteed loan claims ........... | ................ |  | -13,032 |
| 2361 | Write-off of loans receivable .......................... | ................ | $\cdots$ | -499 |
| 2390 | Outstanding, end of year ....... | ................ | .............. | -13,531 |

## SLS

Position with respect to appropriations act limitation on commitments:
2111 Limitation on guaranteed loans made by private lend-

|  |  |  |  |
| :---: | :---: | :---: | :---: |

2150 Total guaranteed loan commitments $\qquad$
$\qquad$ ..................
...................
….............. .................. ...................

Cumulative balance of guaranteed loans outstanding:
2210 Outstanding, start of year
2251 Repayments and prepayments
S ..................................... .................. .................. ................... 2261 Adjustments: Terminations for default that result in loans receivable

2290 Outstanding, end of year $\qquad$
$\square$



## Federal Family Education Loan Liquidating Account

Note.-The following tables display the liquidating account, which includes all cash flows to and from the Government from guaranteed student loan commitments prior to 1992.

Program and Financing ${ }^{1}$ (in thousands of dollars)

| Identification code 91-0230-0-1-502 | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: |
| Program by activities: |  |  |  |
| Stafford loans: |  |  |  |
| 01.01 Interest benefits, net of origination fees | 652,694 | 383,000 | 210,000 |
| 01.02 Special allowance net of origination fees ${ }^{1}$. | 136,931 | 458,000 | 343,000 |
| 01.03 Default claims | 1,548,387 | 1,088,202 | 757,103 |
| 01.04 Death, disability, and bankruptcy claims ............... | 219,585 | 213,151 | 135,200 |
| 01.06 Supplemental preclaims assistance ......... | 41,218 | 23,870 | 16,621 |
| 01.07 Contract collection costs .................... | 49,920 | 89,520 | 113,040 |
| 01.91 Subtotal, Stafford loans $\qquad$ PLUS/SLS loans: | 2,648,735 | 2,255,743 | 1,574,964 |
| 02.01 Default claims | 195,420 | 57,666 | 30,500 |
| 02.02 Death, disability, and bankruptcy claims | 23,974 | 19,392 | 12,780 |
| 02.04 Supplemental preclaims assistance ........... | 5,218 | 1,268 | 671 |
| 02.05 Contract collection costs .............................. | 4,320 | 20,160 | 15,360 |
| 02.91 Subtotal, PLUS/SLS loans $\qquad$ <br> Miscellaneous costs: | 228,932 | 98,486 | 59,311 |
| 03.01 Scheduled payments to finance account for noncontractual modifications | 604,797 | 589,449 | 537,545 |
| 03.91 Subtotal, Miscellaneous costs .......................... | 604,797 | 589,449 | 537,545 |
| 10.00 Total obligations ............................................... | 3,482,464 | 2,943,678 | 2,171,820 |
| Financing: |  |  |  |
| 17.00 Recovery of prior year obligations .............................. | -121,434 | .n.u. |  |


|  |  |  |  |  |  |
| :--- | :--- | :--- | :--- | :--- | :--- |
| 39.00 | Budget authority (gross) $\ldots . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . .361,030 ~$ | $2,943,678$ | $2,171,820$ |  |  |


| Adjustments: |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: |
| 2261 | Terminations for default that result in loans receivable $\qquad$ | -226,504 | -77,774 | -34,330 |
| 2263 | Terminations for default that result in claim payments $\qquad$ | -23,974 | -16,271 | -11,192 |
| 2290 | Outstanding, end of year .................................... | 3,646,000 | 2,727,000 | 1,854,000 |
| Memorandum: |  |  |  |  |
| 2299 | Guaranteed amount of guaranteed loans outstanding, end of year $\qquad$ | 3,646,000 | 2,727,000 | 1,854,000 |
| Addendum: |  |  |  |  |
|  | Cumulative balance of defaulted guaranteed loans that result in loans receivable: |  |  |  |
| 2310 | Outstanding, start of year ................................. | 3,624,472 | 3,506,847 | 3,194,859 |
| 2331 | Disbursements for guaranteed loan claims ............ | 226,504 | 77,774 | 34,330 |
| 2351 | Repayments of loans receivable ............................ | -202,627 | -218,730 | -205,869 |
| 2361 | Write-offs of loans receivable .............................. | -111,500 | -150,749 | -180,500 |
| 2364 | Other adjustments, net ......................................... | -30,002 | -20,283 | -17,049 |
| 2390 | Outstanding, end of year ................................ | 3,506,847 | 3,194,859 | 2,825,771 |

${ }^{1}$ Excludes interest and premium collections on insured loans.
As required by the Federal Credit Reform Act of 1990, this liquidating account records, for this program, all cash flows to and from the Government resulting from guaranteed student loans committed prior to 1992. This account is shown on a cash basis. All new loan activity in this program in 1992 and beyond is recorded in corresponding program and financing accounts.

Object Classification (in thousands of dollars)

| Identification code 91-0230-0-1-502 |  | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: | :---: |
| 25.2 | Other services ............................................................. | 54,240 | 109,680 | 128,400 |
| 41.0 | Grants, subsidies, and contributions ..... | 836,061 | 866,138 | 570,292 |
| 42.0 | Insurance claims and indemnities ............................ | 2,592,163 | 1,967,860 | 1,473,128 |
| 99.9 | Total obligations ............................................... | 3,482,464 | 2,943,678 | 2,171,820 |

## College Housing and Academic Facilities Loans Program

For [the costs of direct loans, as authorized by title VII, part C, of the Higher Education Act, as amended, $\$ 168,000$ : Provided, That such costs, including costs of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974 and that these funds are available to subsidize gross obligations for the principal amount of direct loans of not to exceed $\$ 10,000,000$ : Provided further, That obligated balances of these appropriations will remain available until expended, notwithstanding the provisions of 31 U.S.C. 1552(a), as amended by Public Law 101-510. In addition, for] administrative expenses to carry out the existing direct loan program of college housing and academic facilities loans entered into pursuant to title VII, part C, of the Higher Education Act, as amended, [\$1,022,000] \$1,027,000. (Department of Education Appropriations Act, 1995.)

Program and Financing (in thousands of dollars)

| Identification code 91-0241-0-1-502 | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: |
| Program by activities: |  |  |  |
| 00.01 Loan subsidies ................................................. |  | 168 |  |
| 00.09 Federal administration .......................................... | 730 | 1,022 | 1,027 |
| 10.00 Total obligations .............................................. | 730 | 1,190 | 1,027 |
| Financing: |  |  |  |
| 39.00 Budget authority ....................................................... | 730 | 1,190 | 1,027 |
| Budget authority: |  |  |  |
| Appropriation: |  |  |  |
| 40.00 Appropriation (loan subsidy) .......................... |  | 168 |  |
| 40.00 Appropriation (Federal administration) ................ | 730 | 1,022 | 1,027 |
| 43.00 Appropriation (total) .................................... | 730 | 1,190 | 1,027 |
| Relation of obligations to outlays: |  |  |  |
| 71.00 Total obligations ................................................ | 730 | 1,190 | 1,027 |

Credit accounts-Continued
College Housing and Academic Facilities Loans ProgramContinued

| Identification code 91-0241-0-1-502 |  | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: | :---: |
| 72.40 | Obligated balance, start of year: Unpaid obligations: Treasury balance $\qquad$ | 10,512 | 9,458 | 7,574 |
| 74.40 | Obligated balance, end of year: Unpaid obligations: Treasury balance $\qquad$ | -9,458 | -7,574 | -5,161 |
| 77.00 | Adjustments in expired accounts .............................. | -956 | -202 | .............. |
| 90.00 | Outlays ....................................................... | 828 | 2,872 | 3,440 |

## Summary of Budget Authority and Outlays

| [In thousands of dollars] |  |  |  |
| :---: | :---: | :---: | :---: |
| Enacted/requested: | 1994 actual | 1995 est. | 1996 est. |
| Budget Authority ........................................................ | 730 | 1,190 | 1,027 |
| Outlays .................................................................... | 828 | 2,872 | 3,440 |
| Rescission proposal: |  |  |  |
| Budget Authority ...................................................... | ................. | -168 | ........... |
| Outlays .................................................................. | ................. | ............. | .... |
| Total: |  |  |  |
| Budget Authority ....................................................... | 730 | 1,022 | 1,027 |
| Outlays .................................................................. | 828 | 2,872 | 3,440 |

Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in thousands of dollars)

| Identification code 91-0241-0-1-502 | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: |
| Direct loan levels supportable by subsidy budget authority: |  |  |  |
| 1150 Direct loan levels ............................................... | ................. | 10,000 | .......... |
| 1159 Total direct loan levels | ................ | 10,000 |  |
| Direct loan subsidy (in percent): |  |  |  |
| 1320 Subsidy rate ....................................................... | 0.00 | 1.68 | 1.68 |
| 1329 Weighted average subsidy rate | 0.00 | 1.68 | 1.68 |
| Direct loan subsidy budget authority: |  |  |  |
| 1330 Subsidy budget authority .......................................... | ..... | 168 | 168 |
| 1339 Total subsidy budget authority ............................. | ................ | 168 | 168 |
| Direct loan subsidy outlays: |  |  |  |
| 1340 Subsidy outlays ....................................................... | 196 | 2,114 | 2,477 |
| 1349 Total subsidy outlays ........................................ | 196 | 2,114 | 2,477 |

The Federal Credit Reform Act of 1990 separates the College Housing and Academic Facilities Loans (CHAFL) account into two distinct operating activities and budget accountsCHAFL (Liquidating) and CHAFL Program. The loan activity associated with loan awards made in fiscal year 1992 and beyond is recorded in the program account with the corresponding loan subsidies and Federal Administration. This program supports financing for the reconstruction, renovation, and construction of academic facilities, housing and other postsecondary educational facilities for students and faculty. Institutions receive direct interest-subsidized loans of 5.5 percent. This financing is intended to help higher education institutions finance construction and renovation activities on more favorable terms.

This account is only partially self-financing since the amount of interest paid by borrowers, 5.5 percent, is lower than the amount the Department must pay Treasury for capital borrowed to finance the loans. The Secretary, on average, pays 8.88 percent interest on funds borrowed for loans residing in the CHAFL Liquidating account.

No Ioan limitation or corresponding loan subsidy funds are requested for the CHAFL program. The 1996 Budget requests funds for continuing administrative costs.

Object Classification (in thousands of dollars)

| Identification code 91-0241-0-1-502 | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: |
| Personnel compensation: |  |  |  |
| 11.1 Full-time permanent ................................................ | 405 | 360 | 372 |
| 11.3 Other than full-time permanent .............................. | 13 |  |  |
| 11.5 Other personnel compensation ................................. | 4 | 3 | 7 |
| 11.8 Special personal services payments ......................... | 1 | .................. | ................ |
| 11.9 Total personnel compensation ........................... | 423 | 363 | 379 |
| 12.1 Civilian personnel benefits ................................... | 63 | 79 | 85 |
| 13.0 Benefits for former personnel ................................. | 12 |  |  |
| 21.0 Travel and transportation of persons ........................ | 4 | 27 | 27 |
| 23.1 Rental payments to GSA | 43 | 46 | 48 |
| 23.3 Communications, utilities, and miscellaneous charges | 3 | 12 | 13 |
| 24.0 Printing and reproduction ..................... |  | 3 | 2 |
| 25.1 Advisory and assistance services ............................ |  | 49 | 41 |
| 25.2 Other services ................................................... | 11 | 13 | 13 |
| 25.3 Purchases of goods and services from Government accounts $\qquad$ | 166 | 427 | 416 |
| 26.0 Supplies and materials ........................................... | 1 | 3 | 3 |
| 31.0 Equipment ........................................................... | 4 |  |  |
| 41.0 Grants, subsidies, and contributions ........................ | ................. | 168 | ................ |
| 99.9 Total obligations ............................................. | 730 | 1,190 | 1,027 |
| Personnel Summary |  |  |  |
| Identification code 91-0241-0-1-502 | 1994 actual | 1995 est. | 1996 est. |
| 1001 Total compensable workyears: Full-time equivalent employment | 9 | 8 | 8 |

College Housing and Academic Facilities Loans Financing Account

Note.-The financing account includes all cash flows to and from the Government from college housing and academic facilities loans committed after 1991.

Program and Financing (in thousands of dollars)

| Identific | tion code 91-4252-0-3-502 | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: | :---: |
| Program by activities: |  |  |  |  |
| 00.01 | Direct loans |  | 10,000 |  |
| 00.02 | Interest paid to Treasury ...................................... | 39 | 192 | 1,107 |
| 10.00 | Total obligations .............................................. | 39 | 10,192 | 1,107 |
| Financing: |  |  |  |  |
| 39.00 | Financing authority (gross) ................................... | 39 | 10,192 | 1,107 |
| Financing authority: |  |  |  |  |
| 67.15 | Authority to borrow (indefinite) ........................... |  | 9,832 |  |
| 68.00 | Spending authority from offsetting collections ........ | 50 | 407 | 1,381 |
| 68.47 | Portion applied to debt reduction .......................... | -11 | -47 | -274 |
| 68.90 | Spending authority from offsetting collections (total) $\qquad$ | 39 | 360 | 1,107 |
| Relation of obligations to financing disbursements: |  |  |  |  |
| 71.00 | Total obligations ....... | 39 | 10,192 | 1,107 |
|  | Obligated balance, start of year: |  |  |  |
| 72.10 | Receivables from program account ...................... | -9,458 | -9,458 | -7,944 |
| 72.90 | Unpaid obligations: Fund balance ........................ | 48,953 | 45,525 | 42,842 |
|  | Obligated balance, end of year: |  |  |  |
| 74.10 | Receivables from program account ...................... | 9,458 | 7,944 | 5,531 |
| 74.90 | Unpaid obligations: Fund balance ....................... | -45,525 | -42,842 | -26,242 |
| 77.00 | Adjustments in expired accounts ............................... | -2,844 | -1,798 |  |
| 87.00 | Financing disbursements (gross) .......................... | 623 | 9,563 | 15,294 |


| Adjustments to financing authority and financing disbursements: |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: |
| Offsetting collections from: |  |  |  |  |
| 88.00 | Federal sources: Program account |  | -168 |  |
| 88.25 | Interest on uninvested funds | -17 | -2 | -8 |
| Non-Federal sources: |  |  |  |  |
| 88.40 | Repayments of principal ....... | -11 | -47 | -274 |
| 88.40 | Interest repayments ............ | -22 | -190 | -1,099 |
| 88.90 | Total, offsetting collections .............................. | -50 | -407 | -1,381 |
| 89.00 | Financing authority (net) | -11 | 9,785 | -274 |


| 90.00 | Financing disbursements (net) .................................... | 573 | 9,156 | 13,913 |
| :--- | :--- | :--- | :--- | :--- |

Status of Direct Loans (in thousands of dollars)

| Identification code 91-4252-0-3-502 | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: |
| Position with respect to appropriations act limitation on obligations: |  |  |  |
|  |  |  |  |
| 1111 Limitation on direct loans ........................................ |  | 10,000 |  |
| 1150 Total direct loan obligations ................................ | ..... | 10,000 |  |
| Cumulative balance of direct loans outstanding: |  |  |  |
| 1210 Outstanding, start of year ....................................... |  | 573 | 2,741 |
| 1231 Disbursements: Direct loan disbursements .................. | 584 | 2,215 | 13,786 |
| 1251 Repayments: Repayments and prepayments ................ | -11 | -47 | -274 |
| 1290 Outstanding, end of year ..................................... | 573 | 2,741 | 16,253 |

No funds are requested for the CHAFL program.
Balance Sheet (in thousands of dollars)

| Identification code91-4252-0-3-502 | 1993 actual | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: | :---: |
| ASSETS: |  |  |  |  |
| 1101 Federal assets: Fund balances with Treasury $\qquad$ | 48,953 | 45,340 | 50,738 | 34,412 |
| Net value of assets related to post-1991 direct loans receivable: |  |  |  |  |
| 1401 Direct loans receivable, | ................ | 573 | 2,741 | 16,253 |
| sets related to direct loans $\qquad$ | $\ldots . . . . . .$. | 573 | 2,741 | 16,253 |
| 1999 Total assets ......................... LIABILITIES: | 48,953 | 45,913 | 53,479 | 50,665 |
| Federal liabilities: |  |  |  |  |
| 2102 Interest payable: Federal agencies (debt to Treasury) $\qquad$ |  |  | 2 | 8 |
| 2104 Resources payable to Treasury $\qquad$ | .......... | 11 | 47 | 274 |
| 2999 Total liabilities .................... | .................... | 11 | 49 | 282 |
| 3100 Appropriated capital ............... | 10,512 | 9,361 | 8,859 | 6,045 |
| 3999 Total net position ............... | 10,512 | 9,361 | 8,859 | 6,045 |
| 4999 Total liabilities and net po- | 10,512 | 9,372 | 8,908 | 6,327 |

College Housing and Academic Facilities Loans Liquidating Account
Program and Financing (in thousands of dollars)

| Identification code 91-0242-0-1-502 | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: |
| Program by activities: |  |  |  |
| 10.00 Total obligations (object class 43.0) ........................ | 17,016 | 14,128 | 14,959 |
| Financing: |  |  |  |
| 17.00 Recovery of prior year obligations ........................... | -13,313 | .................. |  |
| 21.40 Unobligated balance available, start of year: Treasury balance $\qquad$ | -3,617 | -1,802 | -2,399 |
| 24.40 Unobligated balance available, end of year: Treasury balance | 1,802 | 2,399 | 1,210 |
| 31.00 Redemption of debt | 5,713 | 3,996 | 3,254 |
| 32.47 Balance of authority to borrow withdrawn .................. | 8,729 | ................ |  |
| 39.00 Budget authority (gross) .................................. | 16,330 | 18,721 | 17,024 |
| Budget authority: |  |  |  |
| 60.05 Appropriation (indefinite) .................................. | 5,885 | 5,484 | 3,554 |
| 68.00 Spending authority from offsetting collections ........ | 10,445 | 13,237 | 13,470 |
| Relation of obligations to outlays: |  |  |  |
| 71.00 Total obligations .................................................... | 17,016 | 14,128 | 14,959 |
| 72.40 Obligated balance, start of year: Unpaid obligations: <br> Treasury balance $\qquad$ | 67,856 | 40,336 | 25,439 |


| 74.40 | Obligated balance, end of year: Unpaid obligations: Treasury balance $\qquad$ | -40,336 | -25,439 | -14,967 |
| :---: | :---: | :---: | :---: | :---: |
| 78.00 | Adjustments in unexpired accounts ......................... | -13,313 |  |  |
| 87.00 | Outlays (gross) ............................................... | 31,223 | 29,025 | 25,431 |
| Adjustments to gross budget authority and outlays: |  |  |  |  |
| 88.40 | Offsetting collections from: Non-Federal sources ......... | -10,445 | -13,237 | -13,470 |
| 89.00 | Budget authority (net) .......................................... | 5,885 | 5,484 | 3,554 |
| 90.00 | Outlays (net) ..................................................... | 20,779 | 15,788 | 11,961 |

Status of Direct Loans (in thousands of dollars)

| Identification code 91-0242-0-1-502 |  | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: | :---: |
| Cumulative balance of direct loans outstanding: |  |  |  |  |
| 1210 | Outstanding, start of year | 120,634 | 135,777 | 130,406 |
| 1231 | Disbursements: Direct loan disbursements ................ | 19,095 | 2,017 | 3,610 |
| 1251 | Repayments: Repayments and prepayments ............... | -3,952 | -7,388 | -5,030 |
| 1290 | Outstanding, end of year .................................... | 135,771 | 130,406 | 128,986 |

As required by the Federal Credit Reform Act of 1990, the College Housing and Academic Facilities Loans account was separated into two distinct budget accounts-College Housing and Academic Facilities Loans Liquidating Account and College Housing and Academic Facilities Loans Program. The College Housing and Academic Facilities Loans Liquidating Account records all cash flows to and from the Government resulting from direct loans made to schools and colleges for construction and renovation of undergraduate academic facilities, student and faculty housing, and other educational facilities from loans obligated prior to fiscal year 1992.

This account is only partially self-financing since the amount of interest paid by borrowers, 5.5 percent, is lower than the amount the Department must pay Treasury for capital borrowed to finance the loans. The Secretary pays, on average, 8.88 percent interest on funds borrowed for liquidating account loans. To meet the required repayment of interest and principal each year to Treasury, the Federal Credit Reform Act of 1990 has provided permanent appropriation authority.

## Historically Black College and University Capital Financing, Program Account

The total amount of bonds insured pursuant to section 724 of title VII, part B of the Higher Education Act shall not exceed $\$ 357,000,000$, and the cost, as defined in section 502 of the Congressional Budget Act of 1974, of such bonds shall not exceed zero.
For administrative expenses to carry out the Historically Black College and University Capital Financing Program entered into pursuant to title VII, part B of the Higher Education Act, as amended, [ $\$ 347,000] \$ 166,000$. (Department of Education Appropriations Act, 1995.)

Program and Financing (in thousands of dollars)

| Identification code 91-1901-0-1-502 | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: |
| Program by activities: |  |  |  |
| 00.09 Federal administration ......................................... | 174 | 347 | 166 |
| 10.00 Total obligations .............................................. | 174 | 347 | 166 |
| Financing: |  |  |  |
| 25.00 Unobligated balance expiring .................................... | 26 | .............. | .... |
| 40.00 Budget authority (appropriation) .......................... | 200 | 347 | 166 |
| Relation of obligations to outlays: |  |  |  |
| 71.00 Total obligations ............................................... | 174 | 347 | 166 |
| 72.40 Obligated balance, start of year: Unpaid obligations: Treasury balance $\qquad$ | ....... | 45 | 137 |
| 74.40 Obligated balance, end of year: Unpaid obligations: Treasury balance $\qquad$ | -45 | -137 | -71 |
| 90.00 Outlays ........................................................ | 129 | 255 | 232 |

Credit accounts-Continued
HISTORICALLY BLACK CoLLEGE AND UnIVERSITY CAPITAL
FINANCING, PROGRAM AcCount-Continued

The Historically Black College and University (HBCU) Capital Financing Program was authorized by the Higher Education Act Amendments of 1992 to provide HBCUs with private capital for capital projects such as repairs, renovation and construction of classrooms, libraries, laboratories, dormitories, instructional equipment, and research instrumentations. The Secretary is authorized to enter into insurance agreements with a private for-profit bonding authority to guarantee no more than $\$ 375,000,000$ loan principal plus accrued unpaid interest for HBCU's taxable bonds. The bonding authority will issue the bonds and establish and maintain an escrow account in which 10 percent of each institution's principal is deposited. This amount is estimated to be sufficient to cover all potential delinquencies and defaults, so no subsidy budget authority is requested. The maximum amount of loans authorized by law was enacted in the 1994 appropriation. The 1996 Budget requests funds for continuing Federal administrative costs.

Object Classification (in thousands of dollars)

| Identification code 91-1901-0-1-502 |  | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: | :---: |
| Personnel compensation: |  |  |  |  |
| 11.1 | Full-time permanent | 90 | 90 | 93 |
| 11.3 | Other than full-time permanent .............................. | 2 | 5 | 5 |
| 11.5 | Other personnel compensation ................................ | 1 | 1 | 2 |
| 11.9 | Total personnel compensation ............................ | 93 | 96 | 100 |
| 12.1 | Civilian personnel benefits ...................................... | 14 | 20 | 21 |
| 13.0 | Benefits for former personnel ................................. | 3 |  |  |
| 21.0 | Travel and transportation of persons ....................... | 4 | 21 | 21 |
| 23.1 | Rental payments to GSA | 7 | 7 | 7 |
| 23.3 | Communications, utilities, and miscellaneous charges | 2 | 3 | 3 |
| 24.0 | Printing and reproduction ......................................... |  | 2 | 2 |
| 25.1 | Advisory and assistance services ............................ | 35 | 187 |  |
| 25.2 | Other services | 14 | 3 | 3 |
| 25.3 | Purchases of goods and services from Government accounts $\qquad$ | 2 | 3 | 3 |
| 26.0 | Supplies and materials ......................................... |  | 3 | 3 |
| 31.0 | Equipment ......................................................... | ............ | 2 | 3 |
| 99.9 | Total obligations ............................................... | 174 | 347 | 166 |


| Personnel Summary |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: |
| Identification code 91-1901-0-1-502 |  | 1994 actual | 1995 est. | 1996 est. |
| 1001 | Total compensable workyears: Full-time equivalent employment $\qquad$ | 2 | 2 | 2 |

Historically Black College and University Capital
Financing, Financing Account
Status of Guaranteed Loans (in thousands of dollars)

| Identification code $91-4153-0-3-502$ | 1994 actual | 1995 est. | 1996 est. |
| :--- | :--- | :--- | :--- | :--- | :--- |
| Position with respect to appropriations act limitation |  |  |  |
| on commitments: |  |  |  |



## Higher Education Facilities Loans

The Secretary is hereby authorized to make such expenditures, within the limits of funds available under this heading and in accord with law, and to make such contracts and commitments without regard to fiscal year limitation, as provided by section 104 of the Government Corporation Control Act (31 U.S.C. 9104), as may be necessary in carrying out the program for the current fiscal year. (Department of Education Appropriations Act, 1995.)

Program and Financing (in thousands of dollars)

| Identification code 91-0240-0-1-502 |  | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: | :---: |
| Program by activities: |  |  |  |  |
| 10.00 | Total obligations (object class 43.0) .......................... | 2,822 | 3,524 | 3,390 |
| Financing: |  |  |  |  |
| 17.00 | Recovery of prior year obligations ................. | -253 | .................. |  |
| 21.40 | Unobligated balance available, start of year: Treasury balance $\qquad$ | -13,101 | -11,146 | -3,524 |
| 24.40 | Unobligated balance available, end of year: Treasury balance $\qquad$ | 11,146 | 3,524 | 3,390 |
| 27.00 | Capital transfer to general fund ............................. | 8,500 | 11,549 | 3,526 |
| 68.00 | Budget authority (gross): Spending authority from offsetting collections $\qquad$ | 9,114 | 7,451 | 6,782 |
| Relation of obligations to outlays: |  |  |  |  |
| 71.00 | Total obligations | 2,822 | 3,524 | 3,390 |
|  | Obligated balance, start of year: Unpaid obligations: <br> Treasury balance $\qquad$ | 1,054 | 114 | 816 |
|  | Obligated balance, end of year: Unpaid obligations: Treasury balance $\qquad$ | -114 | -816 | -682 |
| 78.00 | Adjustments in unexpired accounts ......................... | -253 | ................. |  |
| 87.00 | Outlays (gross) ............................................... | 3,509 | 2,822 | 3,524 |
| Adjustments to gross budget authority and outlays: |  |  |  |  |
| Offsetting collections from: |  |  |  |  |
|  | Non-Federal sources: |  |  |  |
| 88.40 | Repayments of principal ................................... | -7,024 | -5,405 | -4,928 |
| 88.40 | Interest received on loans ................................ | -2,090 | -2,046 | -1,854 |
| 88.90 | Total, offsetting collections .............................. | -9,114 | -7,451 | -6,782 |
| 89.00 | Budget authority (net) ........................................... |  |  |  |
| 90.00 | Outlays (net) ..................................................... | -5,605 | -4,629 | -3,258 |

Status of Direct Loans (in thousands of dollars)

| Identification code 91-0240-0-1-502 |  | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: | :---: |
| Cumulative balance of direct loans outstanding: |  |  |  |  |
| 1210 | Outstanding, start of year ....................................... | 69,306 | 62,282 | 56,877 |
| 1251 | Repayments: Repayments and prepayments ............... | -7,024 | -5,405 | -4,928 |
| 1290 | Outstanding, end of year ........................................ | 62,282 | 56,877 | 51,949 |

Program operations.-Title VII, Section 702, of the Higher Education Act of 1965, as amended, authorizes such sums as may be necessary to pay obligations incurred prior to 1987 under the Higher Education Facilities Loan Program previously authorized under Title VII, Part C. Prior to 1987, this program provided direct loans at 5.5 percent interest, repayable within 50 years, to colleges, universities, and higher education building agencies for the construction, reconstruction, or renovation of academic facilities. No new loan commitments have been made since 1981. The Higher Education

Act Amendments of 1992 do not authorize new loan activity in this account.

Financing.-Loan capital for this program has been provided both through appropriations and the sale of participation certificates which were backed by pools of existing higher education facilities loans held by the Federal Government. All participation certificates held by this account were redeemed as of September 30, 1988.

Interest is payable to Treasury on the amount of appropriations paid out for loan capital and remaining outstanding, less the average undisbursed cash balance in the fund during the year. The interest rate certified by Treasury for payment from the account is 7.75 percent in 1995.

Repayments on outstanding loans, interest revenue, and investment income are used to pay operating expenses and to repay interest costs to Treasury. For 1996, operating income is expected to be sufficient to finance all expenses. No appropriation is needed. The status of defaulted loans is shown in the table below:

| DEFAULTED LOANS |  |  |  |
| :---: | :---: | :---: | :---: |
| [In thousands of dollars] |  |  |  |
|  | 1994 actual | 1995 est. | 1996 est. |
| Outstanding, start of year .............................................. | 3,250 | 2,996 | 2,729 |
| Defaulted loans converted to current status ......................... | -254 | -267 | -249 |
| Outstanding, end of year ................................................. | 2,996 | 2,729 | 2,480 |

## College Housing Loans

Pursuant to title VII, part C of the Higher Education Act, as amended, for necessary expenses of the college housing loans program, previously carried out under title IV of the Housing Act of 1950, the Secretary shall make expenditures and enter into contracts without regard to fiscal year limitation using loan repayments and other resources available to this account. Any unobligated balances becoming available from fixed fees paid into this account pursuant to 12 U.S.C. 1749d, relating to payment of costs for inspections and site visits, shall be available for the operating expenses of this account. (Department of Education Appropriations Act, 1995.)

Program and Financing (in thousands of dollars)

| Identification code 91-4250-0-3-502 | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: |
| Program by activities: |  |  |  |
| 00.01 Interest on Treasury borrowings .............................. | 10,774 | 12,500 | 11,326 |
| 00.02 Facilities management | 145 | 1 | 135 |
| 10.00 Total obligations .............................................. | 10,919 | 12,501 | 11,461 |
| Financing: |  |  |  |
| 17.00 Recovery of prior year obligations. | -4,389 |  |  |
| 21.90 Unobligated balance available, start of year: Fund balance $\qquad$ | -32,660 | -30,613 | -30,513 |
| 24.90 Unobligated balance available, end of year: Fund balance $\qquad$ | 30,613 | 30,513 | 25,246 |
| 31.00 Redemption of debt: Treasury borrowings ................... | 49,300 | 36,483 | 40,741 |
| 39.00 Budget authority (gross) | 53,783 | 48,884 | 46,935 |
| Budget authority: |  |  |  |
| Spending authority from offsetting collections: |  |  |  |
| 68.00 Repayments of principal ................................... | 36,941 | 33,447 | 32,344 |
| 68.00 Interest received on loans ....................... | 16,842 | 15,437 | 14,591 |
| $\left.68.90 \quad \begin{array}{c}\text { Spending } \\ \text { (total) }\end{array}\right)$ authority from offsetting collections (total) | 53,783 | 48,884 | 46,935 |
| Relation of obligations to outlays: |  |  |  |
| 71.00 Total obligations ......... | 10,919 | 12,501 | 11,461 |
| 72.90 Obligated balance, start of year: Unpaid obligations: Fund balance | 17,809 | 10,597 | 3,125 |
| 74.90 Obligated balance, end of year: Unpaid obligations: Fund balance $\qquad$ | -10,597 | -3,125 | -2,187 |
| 78.00 Adjustments in unexpired accounts ......................... | -4,389 | ........... | ........... |
| 87.00 Outlays (gross) ................................................. | 13,742 | 19,973 | 12,399 |


| Adjustments to gross budget authority and outlays: |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: |
| Offsetting collections from: |  |  |  |  |
|  | Non-Federal sources: |  |  |  |
| 88.40 | Repayments of principal ................................. | -36,941 | -33,447 | -32,344 |
| 88.40 | Interest received on loans ...... | -16,842 | -15,437 | -14,591 |
| 88.90 | Total, offsetting collections ............................. | -53,783 | -48,884 | -46,935 |
| 89.00 | Budget authority (net) ........................................... |  |  |  |
| 90.00 | Outlays (net) ......................................................... | -40,041 | -28,911 | -34,536 |

Status of Direct Loans (in thousands of dollars)

| Identifi | tion code 91-4250-0-3-502 | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: | :---: |
| Cumulative balance of direct loans outstanding: |  |  |  |  |
| 1210 | Outstanding, start of year ....................................... | 555,206 | 518,855 | 474,154 |
| 1231 | Disbursements: Direct loan disbursements ................. | 700 | 4,183 |  |
| 1251 | Repayments: Repayments and prepayments ............... | - 36,941 | -48,884 | -46,395 |
| 1264 | Write-offs for default: Other adjustments, net ............ | -110 | ................. | .......... |
| 1290 | Outstanding, end of year ..................................... | 518,855 | 474,154 | 427,759 |

Program operations.-Loans in this account were made for construction and renovation of college housing facilities prior to 1987 under title IV of the Housing Act of 1950. The Higher Education Amendments of 1986 repealed title IV and gave the Secretary authority to manage outstanding college housing loans under title VII, Part F of the Higher Education Act as amended. New loans made after 1986 under Part F of the Higher Education Act amendments of 1986 were financed in the College Housing and Academic Facilities Loans Account. The Higher Education Act amendments of 1992 do not authorize new loan activity in this account.

Financing.-Loan capital for this program was provided primarily through Treasury borrowings and the sale of participation certificates which were backed by pools of college housing loans held by the Federal Government. The participation certificates sold by the Government National Mortgage Association (GNMA) and held by this account were redeemed as of September 30, 1988. As of September 30, 1994, $\$ 519$ million in Ioan capital is still due the Treasury at an annual interest rate of 2.75 percent.

Available resources (loan repayments, interest revenue, and other income in excess of operating expenses) will be used to redeem a portion of the agency's debt in outstanding Treasury borrowings, as is being done in 1995 and as was done in preceding years. Approximately $\$ 51$ million will be repaid to Treasury in 1995 and $\$ 46$ million will be repaid in 1996; \$49 million was repaid in 1994.
The status of defaulted loans is shown in the table below:

## DEFAULTED LOANS

| [In thousands of dollars] |  |  |  |
| :---: | :---: | :---: | :---: |
|  | 1994 actual | 1995 est. | 1996 est. |
| Outstanding, start of year ................................................ | 18,500 | 14,111 | 12,256 |
| Defaulted loans converted to current status .......................... | -4,389 | -1,855 | -1,755 |
| Outstanding, end of year ................................................ | 14,111 | 12,256 | 10,501 |

Object Classification (in thousands of dollars)

| Identification code 91-4250-0-3-502 |  | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: | :---: |
| 25.2 | Other services | 145 | 1 | 135 |
| 43.0 | Interest and dividends | 10,774 | 12,500 | 11,326 |
| 99.9 | Total obligations | 10,919 | 12,501 | 11,461 |

# OFFICE OF EDUCATIONAL RESEARCH AND IMPROVEMENT 

Federal Funds

## General and special funds:

## Education Research, Statistics, and Improvement

For carrying out activities authorized by the Educational Research, Development, Dissemination, and Improvement Act[;], including part E ; the National Education Statistics Act; section 2102 and part C of title II, parts A, B, C, and D of title III, parts A and B and section 10601 of title X, and parts B and C of title XIII of the Elementary and Secondary Education Act of 1965, as amended [by the Improving America's Schools Act as enacted into law; the National Education Statistics Act of 1994, as enacted into law; the Education Council Act, as amended; part F of the General Education Provisions Act]; and title VI of [Public Law 103-227] the Goals 2000: Educate America Act, [\$354,892,000] \$433,064,000: Provided, That [ $\$ 86,200,000$ shall be for education research of which $\$ 41,000,000$ shall be for regional laboratories, including rural initiatives and network activities, $\$ 33,000,000$ shall be for research centers, and $\$ 3,200,000$, to remain available until expended, shall be for school finance equalization research; $\$ 36,750,000$ shall be for the Fund for the Improvement of Education; $\$ 3,000,000$ shall be for the international education exchange program; $\$ 750,000$ shall be for 21st Century Community Learning Centers, if authorized; $\$ 4,463,000$ shall be for civic education activities; $\$ 14,480,000$ shall be for the National Diffusion Network; $\$ 36,356,000$ shall be for Eisenhower professional development Federal activities, including not less than \$5,472,000 for the National Clearinghouse for Science and Mathematics and $\$ 15,000,000$ for regional consortia; $\$ 2,250,000$ shall be for a mathe matics telecommunications demonstration, if authorized; $\$ 40,000,000$ shall be for education technology activities, if authorized; and $\$ 7,000,000$ shall be for Ready to Learn television, including funds to be awarded to the Corporation for Public Broadcasting in such amounts as the Secretary determines appropriate] $\$ 1,600,000$ shall be used to increase resources available to expand the National Library of Education: Provided further, That $\$ 32,000,000$ shall be for section 2102, $\$ 3,000,000$ shall be for part C of title II, $\$ 3,000,000$ shall be for section 3122, $\$ 70,000,000$ shall be for section $3136, \$ 10,000,000$ shall be for subpart 3 of part A of title III, and $\$ 4,463,000$ shall be for section 10601 of the Elementary and Secondary Education Act. (Department of Education Appropriations Act, 1995.)

Program and Financing (in thousands of dollars)

| Identifi | tion code 91-1100-0-1-503 | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: | :---: |
| Program by activities: |  |  |  |  |
| Direct program: |  |  |  |  |
| 00.01 | Research | 77,998 | 86,200 | 97,600 |
| 00.02 | Statistics | 48,588 | 48,153 | 57,000 |
| 00.03 | Assessment | 30,131 | 32,757 | 38,000 |
| 00.04 | Eisenhower professional development national activities |  | 21,356 | 35,000 |
| 00.05 | Eisenhower mathematics and science education national activities $\qquad$ | 15,821 |  |  |
| 00.06 | National Board for Professional Teaching Standards | 4,792 | ................. |  |
|  | Technology for Education: |  |  |  |
| 00.07 | K-12 technology learning challenge ................. |  | 27,000 | 50,000 |
| 00.08 | Adult technology learning challenge ... |  |  | 20,000 |
| 00.09 | National activities |  | 13,000 | 13,000 |
| 00.10 | Star schools | 25,879 | 30,000 | 30,000 |
| 00.11 | Ready to learn television |  | 7,000 | 7,000 |
| 00.12 | Telecommunications demonstration project for mathematics $\qquad$ |  | 2,250 | 2,250 |
| 00.13 | Fund for the improvement of education ................. | 31,613 | 36,750 | 36,750 |
| 00.14 | Javits gifted and talented education .................... | 9,601 | 9,521 | 9,521 |
| 00.15 | National diffusion network ................................ | 14,582 | 14,480 | 14,480 |
| 00.16 | Eisenhower regional mathematics and science education consortia $\qquad$ | 14,121 | 15,000 | 15,000 |
| 00.17 | 21st century community learning centers .............. |  | 750 |  |
| 00.18 | National writing project ...... | 3,212 | 3,212 |  |
| 00.19 | Civic education | 4,463 | 4,463 | 4,463 |
| 00.20 | International education exchange |  | 3,000 | 3,000 |
| 00.21 | Fund for the improvement and reform of schools and teaching $\qquad$ | 9,083 |  |  |
| 00.22 | Territorial teacher training ................................ | 1,737 |  |  |
| 00.23 | Blue ribbon schools ........ | 879 | .... | ............ |
| 00.91 | Total, direct program ...................................... | 292,500 | 354,892 | 433,064 |
| 01.01 | Reimbursable program ............................................ | 1,823 | ................. |  |


| 10.00 | Total obligations ............................................. | 294,323 | 354,892 | 433,064 |
| :---: | :---: | :---: | :---: | :---: |
| Financing: |  | 92 | ................. |  |
| 25.00 | Unobligated balance expiring .................................. |  |  | $\ldots . . . . . . . . . . . .$. |
| 39.00 | Budget authority (gross) .................................... | 294,415 | 354,892 | 433,064 |
| Budget authority: |  |  |  |  |
|  |  |  |  |  |
| 40.00 | Appropriation | 292,592 | 354,892 | 433,064 |
|  | Permanent: |  |  |  |
| 68.00 | Spending authority from offsetting collections | 1,823 | .................. | ............ |
| Relation of obligations to outlays: |  | 294,323 | 354,892 | 433,064 |
| 71.00 | Total obligations ................................................ |  |  |  |
| 72.40 | Obligated balance, start of year: Unpaid obligations: <br> Treasury balance $\qquad$ | 274,220 | 287,734 | 312,097 |
| 74.40 | Obligated balance, end of year: Unpaid obligations: Treasury balance $\qquad$ | $\begin{array}{r} -287,734 \\ -2,148 \end{array}$ | -312,097 | -404,311 |
| 77.00 | Adjustments in expired accounts ............................. |  | ........ | ............... |
| 87.00 | Outlays (gross) ................................................ | 278,661 | 330,529 | 340,850 |
| Adjustments to gross budget authority and outlays: |  | -1,823 | $\ldots$ | .................. |
| 88.00 | Offsetting collections from: Federal sources ................ |  |  |  |
| 89.00 | Budget authority (net) ......................................... | 292,592 | 354,892 | 433,064 |
| 90.00 | Outlays (net) ..................................................... | 276,838 | 330,529 | 340,850 |

Summary of Budget Authority and Outlays

| [In thousands of dollars] |  |  |  |
| :---: | :---: | :---: | :---: |
| Enacted/requested: | 1994 actual | 1995 est. | 1996 est. |
| Budget Authority .......................................................... | 292,592 | 354,892 | 433,064 |
| Outlays ........................................................................ | 276,838 | 330,529 | 340,850 |
| Rescission proposal: |  |  |  |
| Budget Authority ...... | $\ldots . . . . . . . . . . . . .$. | -750 |  |
| Outlays ................................................................. | ................. | -90 | -510 |
| Total: |  |  |  |
| Budget Authority ........................................................ | 292,592 | 354,142 | 433,064 |
| Outlays ................................................................... | 276,838 | 330,439 | 340,340 |

Research.-Funds support the activities of five research institutes organized to address topics of national concern in education. The institutes carry out comprehensive programs of research and development by funding research centers, field-initiated research studies, and other research projects. A national dissemination system provides information and technical assistance through regional laboratories and clearinghouses. A national library of education serves as a central location within the Federal government for information on education.
Statistics.-Funds support the collection of statistics on educational institutions and on individuals to monitor trends in education, and a coordinated program of statistical services to assist States in developing comparable data bases and analyses of the implications of data.
Assessment.-Funds support the National Assessment of Educational Progress, which surveys young Americans to provide reliable information about educational attainment in important skill areas. Both national- and State-representative data are collected.
Eisenhower professional development national activities.Funds support activities to promote excellence in teaching. Such activities include strengthening professional standards for teachers, demonstrating ways to engage teachers and other educators in the use of effective teaching and learning strategies, providing support services for both Eisenhower State and Federal program activities, and evaluating these activities.
Technology for education.-
K-12 technology learning challenge-Competitive grants are made to consortia of school districts and other partners to improve student achievement, training, and teaching through the effective use of technologies.

Adult technology learning challenge-Competitive grants are made to consortia of public and private organizations to promote adult training and lifelong learning through the effective use of technologies.
Under the authority of Section 241 of Improving America's Schools Act of 1994, certain funds appropriated to the Department of Labor for the J ob Training Partnership Act will be made available to the Department of Education's Interagency Technology Office for additional support for the adult technology learning challenge grants.
National activities.-Funds support national leadership activities, technical support, and professional development in the development and implementation of educational technology.
Star schools.-Funds support the acquisition of telecommunications equipment and development of instructional programming for distance learning.

Ready to learn television.-Funds support the development of educational programming for preschool and elementary school children and their parents.

Telecommunications demonstration project for mathe-matics.-Funds support a national telecommunications-based demonstration project to improve the teaching of mathematics so that all students are prepared to achieve State content standards.

Fund for the improvement of education.-F unds support nationally significant projects to improve the quality of education, assist all students to meet challenging standards, and contribute to achievement of the National Education Goals.
$J$ avits gifted and talented education.-Funds support projects designed to help educators identify and meet the special educational needs of gifted and talented students and, where appropriate, to adapt strategies successful with those students to improve instruction for all students.

National diffusion network.-Funds support the dissemination of promising and exemplary educational projects and practices, and technical assistance to educators in the implementation of these projects and practices.

Eisenhower regional mathematics and science education con-sortia.-Funds support regional consortia to disseminate exemplary mathematics and science education materials and provide technical assistance to help teachers and administrators implement new teaching methods and assessment tools.

Civic education.-Funds are used to provide an award to the Center for Civic Education to help educate students about the history and principles of the Constitution, including the Bill of Rights.

International education exchange-Funds are used for international exchange programs to help improve civics and economics education in central and eastern European countries, countries that were part of the former Soviet Union, and the United States.

Object Classification (in thousands of dollars)

| Identification code 91-1100-0-1-503 |  | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: | :---: |
| Direct obligations: |  |  |  |  |
|  | Personnel compensation: |  |  |  |
| 11.1 | Full-time permanent ....................... | 275 | 395 | 415 |
| 11.3 | Other than full-time permanent ....................... | 448 | 556 | 554 |
| 11.5 | Other personnel compensation ......................... | 34 | 22 | 22 |
| 11.9 | Total personnel compensation ..................... | 757 | 973 | 991 |
| 12.1 | Civilian personnel benefits ............................... | 161 | 216 | 232 |
| 13.0 | Benefits for former personnel ............................ | 28 |  |  |
| 21.0 | Travel and transportation of persons ................... | 367 | 216 | 177 |
| 23.1 | Rental payments to GSA ................................... | 172 | 106 | 106 |
| 23.3 | Communications, utilities, and miscellaneous charges $\qquad$ | 52 | 71 | 71 |
| 24.0 | Printing and reproduction ................................... | 1,543 | 760 | 1,240 |
| 25.1 | Advisory and assistance services ........................ | 7,432 | 6,221 | 6,705 |
| 25.2 | Other services ................................................ | 63,105 | 77,788 | 94,183 |
| 25.3 | Purchases of goods and services from Government accounts $\qquad$ | 19,118 | 11,524 | 10,224 |


| 25.4 | Operation of GOCOs ........................................... | 112 |  |  |
| :---: | :---: | :---: | :---: | :---: |
| 25.5 | Research and development contracts ..................... | 18,684 | 17,311 | 17,400 |
| 26.0 | Supplies and materials .................................... | 31 | 67 | 585 |
| 31.0 | Equipment | 273 | 740 | 635 |
| 41.0 | Grants, subsidies, and contributions ..................... | 180,665 | 238,899 | 300,515 |
| 99.0 | Subtotal, direct obligations ............................. | 292,500 | 354,892 | 433,064 |
| 99.0 | Reimbursable obligations ......................................... | 1,823 | ................. | ............... |
| 99.9 | Total obligations ......................................... | 294,323 | 354,892 | 433,064 |
| Personnel Summary |  |  |  |  |
| Identification code 91-1100-0-1-503 |  | 1994 actual | 1995 est. | 1996 est. |
| 1001 | Total compensable workyears: Full-time equivalent employment $\qquad$ | 10 | 11 | 11 |

For carrying out, to the extent not otherwise provided, titles I, II, [III, ] and IVI, and VI] of the Library Services and Construction Act [(20 U.S.C. ch. 16), and title II of the Higher Education Act, $\$ 144,161,000$ ] $\$ 106,927,000$, of which $\$ 17,792,000$ shall be used to carry out the provisions of title II of the Library Services and Construction Act and shall remain available until expended[; and $\$ 4,916,000$ shall be for section 222 and $\$ 6,500,000$ shall be for section 223 of the Higher Education Act, of which $\$ 5,000,000$ shall be for additional awards for demonstration of on-line access to statewide, multitype library bibliographic data bases using fiber optic networks and $\$ 1,500,000$ shall be for a demonstration project making Federal information and other data bases available for public use by connecting a multistate consortium of public and private colleges and universities to a public library and an historic libraryl. (Department of Education Appropriations Act, 1995.)

Program and Financing (in thousands of dollars)

| Identification code 91-0104-0-1-503 | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: |
| Program by activities: |  |  |  |
| Direct program: |  |  |  |
| 00.01 Public library services | 83,227 | 83,227 | 89,135 |
| 00.02 Public library construction ................................. | 21,074 | 30,400 | 17,792 |
| 00.03 Interlibrary cooperation | 19,749 | 23,700 |  |
| 00.05 Library literacy programs | 8,098 | 8,026 |  |
| 00.06 College library technology | 3,873 |  |  |
| 00.07 Library education and training ........................... | 4,960 | 4,916 |  |
| 00.08 Research and demonstrations .............................. | 2,802 | 6,500 |  |
| 00.09 Research libraries .......................................... | 5,808 |  |  |
| 10.00 Total obligations .............................................. | 149,591 | 156,769 | 106,927 |
| Financing: |  |  |  |
| 17.00 Recovery of prior year obligations ........................... | -982 | ............. |  |
| 21.40 Unobligated balance available, start of year: Treasury balance $\qquad$ | -14,908 | -12,608 |  |
| 24.40 Unobligated balance available, end of year: Treasury balance | 12,608 | ............... | $\ldots$ |
| 40.00 Budget authority (appropriation) .......................... | 146,309 | 144,161 | 106,927 |
| Relation of obligations to outlays: |  |  |  |
| 71.00 Total obligations | 149,591 | 156,769 | 106,927 |
| 72.40 Obligated balance, start of year: Unpaid obligations: Treasury balance $\qquad$ | 157,064 | 161,490 | 162,844 |
| 74.40 Obligated balance, end of year: Unpaid obligations: <br> Treasury balance | -161,490 | -162,844 | -126,282 |
| 77.00 Adjustments in expired accounts ............................. | -1,960 |  |  |
| 78.00 Adjustments in unexpired accounts ......................... | -982 |  |  |
| 89.00 Budget authority (net) ......................................... | 146,309 | 144,161 | 106,927 |
| 90.00 Outlays ........................................................ | 142,223 | 155,415 | 143,489 |
| Summary of Budget Authority and Outlays |  |  |  |
| Enacted/requested: | 1994 actual | 1995 est. | 1996 est. |
| Budget Authority ....................................................... | 146,309 | 144,161 | 106,927 |
| Outlays .................................................................. | 142,223 | 155,415 | 143,489 |
| Rescission proposal: |  |  |  |
| Budget Authority .... | ...... | -12,942 |  |
| Outlays .................................................................. | ................. | -5,176 | -4,789 |

General and special funds-Continued LIbRARIES-Continued

Summary of Budget Authority and Outlays- Continued
[In thousands of dollars]

| Total: | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: |
| Budget Authority | 146,309 | 131,219 | 106,927 |
| Outlays | 142,223 | 150,239 | 138,700 |

Public library services.-State formula grants assist public libraries in improving access to public library services. States are encouraged to undertake activities that further the Na tional Education Goals.

Public library construction.-State formula grants support construction of public libraries and technology enhancements to improve the provision of public library services.

Object Classification (in thousands of dollars)

| Identification code 91-0104-0-1-503 |  | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: | :---: |
| 25.1 | Advisory and assistance services .............................. | 302 |  |  |
| 25.2 | Other services .................................................. | 128 | 54 | 15 |
| 41.0 | Grants, subsidies, and contributions ........................ | 149,161 | 156,715 | 106,912 |
| 99.9 | Total obligations ................................................ | 149,591 | 156,769 | 106,927 |

## DEPARTMENTAL MANAGEMENT

## Federal Funds

## General and special funds:

## Program Administration

For carrying out, to the extent not otherwise provided, the Department of Education Organization Act, including rental of conference rooms in the District of Columbia and hire of two passenger motor vehicles, [\$356,021,000] \$370,844,000. (Department of Education Appropriations Act, 1995.)

Program and Financing (in thousands of dollars)

| Identific | tion code 91-0800-0-1-503 | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: | :---: |
| Program by activities: |  |  |  |  |
| 00.01 | Direct program | 345,585 | 356,070 | 370,844 |
| 01.01 | Reimbursable programs ........................................ | 64,377 | 105,555 | 8,869 |
| 10.00 | Total obligations ............................................... | 409,962 | 461,625 | 379,713 |
| Financing: |  |  |  |  |
| 21.40 | Unobligated balance available, start of year: Treasury balance $\qquad$ | -655 | -543 | -494 |
| 24.40 | Unobligated balance available, end of year: Treasury balance $\qquad$ | 543 | 494 | 494 |
| 25.00 | Unobligated balance expiring ................................... | 535 | $\ldots$ |  |
| 39.00 | Budget authority (gross) ..................................... | 410,385 | 461,576 | 379,713 |


| Budget authority: |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: |
|  | Current: |  |  |  |
| 40.00 | Appropriation ..... | 346,008 | 356,021 | 370,844 |
|  | Permanent: |  |  |  |
| 68.00 | Spending authority from offsetting collections | 64,377 | 105,555 | 8,869 |
| Relation of obligations to outlays: |  |  |  |  |
| 71.00 | Total obligations | 409,962 | 461,625 | 379,713 |
| 72.40 | Obligated balance, start of year: Unpaid obligations: <br> Treasury balance $\qquad$ | 127,770 | 141,552 | 125,710 |
| 74.40 | Obligated balance, end of year: Unpaid obligations: <br> Treasury balance $\qquad$ | -141,552 | -125,710 | -131,067 |
| 77.00 | Adjustments in expired accounts ............................ | -11,040 | ................. |  |
| 87.00 | Outlays (gross) ............................................... | 385,140 | 477,467 | 374,356 |


| Adjustments to gross budget authority and outlays: Offsetting collections from: |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: |
| 88.00 | Federal sources | -64,307 | - 105,520 | -8,834 |
| 88.40 | Non-Federal sources | -70 | -35 | -35 |
| 88.90 | Total, offsetting collections ............................. | -64,377 | -105,555 | -8,869 |


| 89.00 | Budget authority (net) | 346,008 | 356,021 | 370,844 |
| :---: | :---: | :---: | :---: | :---: |
| 90.00 | Outlays (net) | 320,763 | 371,912 | 365,487 |

## Summary of Budget Authority and Outlays

| [In thousands of dollars] |  |  |  |
| :---: | :---: | :---: | :---: |
| Enacted/requested: | 1994 actual | 1995 est. | 1996 est. |
| Budget Authority ....................................................... | 346,008 | 356,021 | 370,844 |
| Outlays | 320,763 | 371,912 | 365,487 |
| Legislative proposal, not subject to PAYGO: |  |  |  |
| Budget Authority |  | ........... | -1,729 |
| Outlays .................................................................. | ............... | ................ | -1,395 |
| Total: |  |  |  |
| Budget Authority ......................................................... | 346,008 | 356,021 | 369,115 |
| Outlays .................................................................. | 320,763 | 371,912 | 364,092 |

The Program Administration account includes the direct Federal costs of administering elementary and secondary education, bilingual education, higher education, vocational and adult education, and special education programs, programs for persons with disabilities and a portion of the direct Federal costs for administering student financial aid programs. It also supports assessment, statistics, research and improvement activities.
In addition, this account includes the cost of providing centralized support and administrative services, overall policy development, and strategic planning for the Department. Included in the centralized activities are rent and mail services; telecommunciations; program grants and contractual services; financial management and accounting, including payments to schools, education agencies and other grant recipients, and preparation of auditable financial statements; ADP services; personnel management; budget formulation and execution; program evaluation; legal services; congressional and public relations; and intergovernmental affairs.

Reimbursable program.-Reimbursements to this account include the costs of collecting defaulted Perkins student Ioans and, in 1994, the costs for peer review of discretionary grant applications.

Object Classification (in thousands of dollars)

| Identification code 91-0800-0-1-503 |  | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: | :---: |
| Direct obligations: |  |  |  |  |
| Personnel compensation: |  |  |  |  |
| 11.1 | Full-time permanent | 138,298 | 139,847 | 143,774 |
| 11.3 | Other than full-time permanent | 12,470 | 12,677 | 13,189 |
| 11.5 | Other personnel compensation | 2,378 | 2,022 | 2,940 |
| 11.8 | Special personal services payments ................. | 76 | ................ |  |
| 11.9 | Total personnel compensation ...................... | 153,222 | 154,546 | 159,903 |
| 12.1 | Civilian personnel benefits | 28,073 | 33,771 | 36,225 |
| 13.0 | Benefits for former personnel ............................. | 7,480 | 510 |  |
| 21.0 | Travel and transportation of persons.. | 5,062 | 5,254 | 5,598 |
| 22.0 | Transportation of things | 107 | 143 | 143 |
| 23.1 | Rental payments to GSA | 21,612 | 23,676 | 25,670 |
| 23.3 | Communications, utilities, and miscellaneous charges $\qquad$ | 16,465 | 20,047 | 20,299 |
| 24.0 | Printing and reproduction ................................... | 8,663 | 6,070 | 6,635 |
| 25.1 | Advisory and assistance services ......................... | 6,746 | 5,317 | 4,504 |
| 25.2 | Other services | 70,304 | 82,990 | 86,468 |
| 25.3 | Purchases of goods and services from Government accounts $\qquad$ | 12,452 | 12,287 | 13,968 |
| 25.4 | Operation of GOCOs ......................................... | 1,096 | 879 | 907 |
| 25.5 | Research and development contracts .................... | 279 |  |  |
| 26.0 | Supplies and materials .................................... | 3,591 | 2,230 | 2,078 |
| 31.0 | Equipment | 10,404 | 8,350 | 8,446 |
| 43.0 | Interest and dividends | 29 | ................ | $\ldots$ |
| 99.0 | Subtotal, direct obligations .............................. | 345,585 | 356,070 | 370,844 |
| 99.0 | Reimbursable obligations ....................................... | 64,377 | 105,555 | 8,869 |
| 99.9 | Total obligations .......................................... | 409,962 | 461,625 | 379,713 |

## Personnel Summary

| Identification code 91-0800-0-1-503 | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: |
| Direct: |  |  |  |
| Total compensable workyears: |  |  |  |
| 1001 Full-time equivalent employment ........................... | 2,917 | 3,026 | 3,003 |
| 1005 Full-time equivalent of overtime and holiday hours Reimbursable: | 14 | 15 | 15 |
| 2001 Total compensable workyears: Full-time equivalent employment | 3 | ............ | ............... |


| Program Administration <br> (Legislative proposal, not subject to PAYGO) <br> Program and Financing (in thousands of dollars) |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: |
| Identifica | tion code 91-0800-2-1-503 | 1994 actual | 1995 est. | 1996 est. |
| Program by activities: |  |  |  |  |
| 10.00 | Total obligations ..... | $\ldots . . . . . . . . . . . . .$. | ............. | -1,729 |
| Financing: |  |  |  |  |
| 40.00 | Budget authority (appropriation) ............................. | $\ldots . . . . . . . . . . . . . .$. | ...... | -1,729 |
| Relation of obligations to outlays: |  |  |  |  |
| 71.00 | Total obligations ...................... | ............ |  | -1,729 |
| 74.40 | Obligated balance, end of year: Unpaid obligations: Treasury balance $\qquad$ |  |  | 334 |
| 90.00 | Outlays ........................................................... | .................. | ............... | -1,395 |

This reduction indicates the savings associated with program consolidation and reforms under the Administration's GI Bill for America's Workers.

Object Classification (in thousands of dollars)

| Identification code 91-0800-2-1-503 |  | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: | :---: |
| 11.1 | Personnel compensation: Full-time permanent ............. | ................. | .................. | -969 |
| 12.1 | Civilian personnel benefits ........................................ |  |  | -209 |
| 21.0 | Travel and transportation of persons |  |  | -82 |
| 23.1 | Rental payments to GSA | .................. | .................. | -103 |
| 23.3 | Communications, utilities, and miscellaneous charges | .................. | .................. | -70 |
| 24.0 | Printing and reproduction ........................................ | .................. | .................. | -130 |
| 25.2 | Other services ....................................................... | ................ | ........ | -79 |
| 25.3 | Purchases of goods and services from Government accounts $\qquad$ |  |  | -11 |
| 26.0 | Supplies and materials ........................................... | ................. | .................. | -19 |
| 31.0 | Equipment .......................................................... | ............... | .......... | -57 |
| 99.9 | Total obligations ............................................... | ................. | .................. | -1,729 |
| Personnel Summary |  |  |  |  |
| Identification code 91-0800-2-1-503 |  | 1994 actual | 1995 est. | 1996 est. |
| 1001 | Total compensable workyears: Full-time equivalent employment $\qquad$ | .............. | ............... | -19 |

## Headquarters Renovation

For necessary expenses for the renovation of the Department of Education headquarters building, $\$ 20,000,000$, to remain available until September 30, 1998.

Program and Financing (in thousands of dollars)

| Identification code 91-1500-0-1-503 | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: |
| Program by activities: |  |  |  |
| 10.00 Total obligations ..................................................... | ................. | ................ | 12,000 |
| Financing: |  |  |  |
| 24.40 Unobligated balance available, end of year: Treasury balance $\qquad$ | ................... | ............... | 8,000 |
| 40.00 Budget authority (appropriation) ........................... | ................... | ................. | 20,000 |
| Relation of obligations to outlays: |  |  |  |
| 71.00 Total obligations ........ |  |  | 12,000 |
| 74.40 Obligated balance, end of year: Unpaid obligations: Treasury balance | .................. | ...... | -10,000 |

90.00 Outlays ..... 2,000

This account provides the Department of Education's portion of funds to renovate its headquarters building, including costs for administrative services, information technology, telecommunications cabling services, and systems furniture. The remaining funds required for the renovation, which began in October 1994, will be provided by the General Services Administration.

Object Classification (in thousands of dollars)

| Identification code 91-1500-0-1-503 |  | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: | :---: |
| 25.1 | Advisory and assistance services ............................. | .................. | ................. | 1,632 |
| 25.2 | Other services ............. | .................. | .................. | 3,145 |
| 25.3 | Purchases of goods and services from Government accounts $\qquad$ | .................. | ................. | 115 |
| 31.0 | Equipment ........................................................ | .................. | ................ | 7,108 |
| 99.9 | Total obligations ............................................... |  |  | 12,000 |

## Office for Civil Rights

For expenses necessary for the Office for Civil Rights, as authorized by section 203 of the Department of Education Organization Act, [ $\$ 58,325,000] \$ 62,784,000$. (Department of Education Appropriations Act, 1995.)

Program and Financing (in thousands of dollars)


The Office for Civil Rights is responsible for ensuring that no person is unlawfully discriminated against on the basis of race, color, national origin, sex, disability, or age in the delivery of services or the provision of benefits in programs or activities of schools and institutions receiving financial assistance from the Department of Education. The authorities under which the Office for Civil Rights operates are title VI of the Civil Rights Act of 1964 (racial and ethnic discrimination), title IX of the Education Amendments of 1972 (sex discrimination), section 504 of the Rehabilitation Act of 1973 (discrimination against individuals with a disability), the Age Discrimination Act of 1975, and the Americans with Disabilities Act of 1990.

Object Classification (in thousands of dollars)

| Identification code 91-0700-0-1-751 |  | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: | :---: |
| Personnel compensation: |  |  |  |  |
| 11.1 | Full-time permanent | 37,038 | 38,096 | 39,077 |
| 11.3 | Other than full-time permanent ............................... | 539 | 518 | 490 |
| 11.5 | Other personnel compensation ............................... | 960 | 1,246 | 1,246 |
| 11.9 | Total personnel compensation .............................. | 38,537 | 39,860 | 40,813 |
| 12.1 | Civilian personnel benefits .................................... | 7,530 | 8,952 | 9,527 |
| 13.0 | Benefits for former personnel ................................. | 1,360 | 91 |  |
| 21.0 | Travel and transportation of persons ........................ | 843 | 1,034 | 1,068 |

## General and special funds-Continued

Office for Civil Rights-Continued
Object Classification (in thousands of dollars)- Continued

| Identification code 91-0700-0-1-751 |  | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: | :---: |
| 22.0 | Transportation of things ....................................... | 12 | 11 | 11 |
| 23.1 | Rental payments to GSA ...................................... | 3,402 | 4,121 | 4,156 |
| 23.3 | Communications, utilities, and miscellaneous charges | 728 | 1,069 | 1,106 |
| 24.0 | Printing and reproduction ...................................... | 67 | 50 | 50 |
| 25.2 | Other services ....................................................... | 1,411 | 1,097 | 2,917 |
| 25.3 | Purchases of goods and services from Government accounts $\qquad$ | 2,084 | 1,637 | 1,571 |
| 26.0 | Supplies and materials ....................................... | 345 | 345 | 345 |
| 31.0 | Equipment ......................................................... | 135 | 58 | 1,220 |
| 99.0 | Subtotal, direct obligations ................................ | 56,454 | 58,325 | 62,784 |
| 99.9 | Total obligations .............................................. | 56,454 | 58,325 | 62,784 |


| Personnel Summary |  |  |  |
| :---: | :---: | :---: | :---: |
| Identification code 91-0700-0-1-751 | 1994 actual | 1995 est. | 1996 est. |
| 1001 Total compensable workyears: Full-time equivalent employment $\qquad$ | 821 | 833 | 824 |

Office of the Inspector General
For expenses necessary for the Office of the Inspector General, as authorized by section 212 of the Department of Education Organization Act, [\$30,437,000] \$34,066,000. (Department of Education Appropriations Act, 1995.)

Program and Financing (in thousands of dollars)

| Identification code 91-1400-0-1-751 | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: |
| Program by activities: |  |  |  |
| 00.01 Inspector General ............................................... | 28,751 | 30,437 | 34,066 |
| 01.01 Reimbursable program ............................................ | 82 | 86 | ............... |
| 10.00 Total obligations ............................................... | 28,833 | 30,523 | 34,066 |
| Financing: |  |  |  |
| 25.00 Unobligated balance expiring .................................. | 89 | ................. | $\ldots . . . . . . . . . . . .$. |
| 39.00 Budget authority (gross) .................................... | 28,922 | 30,523 | 34,066 |
| Budget authority: Current: |  |  |  |
| 40.00 Appropriation .............................................. | 28,840 | 30,437 | 34,066 |
| Permanent: Spending authority from offsetting collections | 82 | 86 |  |
| Relation of obligations to outlays: |  |  |  |
| 71.00 Total obligations ................................................ | 28,833 | 30,523 | 34,066 |
| 72.40 Obligated balance, start of year: Unpaid obligations: Treasury balance | 6,589 | 6,319 | 4,924 |
| 74.40 Obligated balance, end of year: Unpaid obligations: Treasury balance | -6,319 | -4,924 | -6,493 |
| 77.00 Adjustments in expired accounts .............................. | -786 | ........ | $\ldots$ |
| 87.00 Outlays (gross) ................................................. | 28,317 | 31,918 | 32,497 |
| Adjustments to gross budget authority and outlays: |  |  |  |
| 88.00 Offsetting collections from: Federal sources ................ | -82 | -86 | .... |
| 89.00 Budget authority (net) .......................................... | 28,840 | 30,437 | 34,066 |
| 90.00 Outlays (net) ......................................................... | 28,235 | 31,832 | 32,497 |

The Inspector General is responsible for the quality, coverage, and coordination of audit, investigation, and security functions relating to Federal education activities. The Inspector General has the authority to inquire into all activities of the Department including those performed under Federal education contracts, grants, or other agreements. Under the Chief Financial Officers Act of 1990, the Inspector General is also responsible for internal reviews of the Department's financial systems and audits of its financial statements.

Object Classification (in thousands of dollars)

| Identification code 91-1400-0-1-751 |  | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: | :---: |
| Direct obligations: |  |  |  |  |
|  | Personnel compensation: |  |  |  |
| 11.1 | Full-time permanent . | 18,050 | 18,990 | 20,362 |
| 11.3 | Other than full-time permanent ......................... | 239 | 208 | 213 |
| 11.5 | Other personnel compensation ........................ | 159 | 160 | 160 |
| 11.9 | Total personnel compensation ..................... | 18,448 | 19,358 | 20,735 |
| 12.1 | Civilian personnel benefits ................................. | 3,878 | 4,431 | 4,955 |
| 13.0 | Benefits for former personnel .............................. | 376 | 122 |  |
| 21.0 | Travel and transportation of persons .................... | 1,563 | 1,645 | 1,681 |
| 22.0 | Transportation of things .................................... | 28 | 18 | 18 |
| 23.1 | Rental payments to GSA ................................... | 1,998 | 2,018 | 2,062 |
| 23.3 | Communications, utilities, and miscellaneous charges $\qquad$ | 253 | 380 | 402 |
| 24.0 | Printing and reproduction .................................. | 43 | 40 | 45 |
| 25.1 | Advisory and assistance services ......................... |  |  | 1,600 |
| 25.2 | Other services | 608 | 900 | 1,238 |
| 25.3 | Purchases of goods and services from Government accounts $\qquad$ | 965 | 879 | 784 |
| 26.0 | Supplies and materials ..................................... | 309 | 219 | 250 |
| 31.0 | Equipment ...................................................... | 282 | 427 | 296 |
| 99.0 | Subtotal, direct obligations ............................. | 28,751 | 30,437 | 34,066 |
| 99.0 | Reimbursable obligations ..................................... | 82 | 86 | $\qquad$ |
| 99.9 | Total obligations ............................................ | 28,833 | 30,523 | 34,066 |

Personnel Summary

| Identification code 91-1400-0-1-751 | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: |
| Direct: |  |  |  |
| 1001 Total compensable workyears: Full-time equivalent employment Reimbursable: | 357 | 364 | 360 |
| 2001 Total compensable workyears: Full-time equivalent employment | 1 | 1 | ........... |

## Trust Funds

Contributions
Program and Financing (in thousands of dollars)

| Identific | ation code 91-8258-0-7-503 | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: | :---: |
| Program by activities: |  |  |  |  |
| 10.00 | Total obligations ................................................... | 57 | 138 |  |
| Financing: |  |  |  |  |
| 17.00 | Recovery of prior year obligations ........................... | -36 | ................. |  |
| 21.40 | Unobligated balance available, start of year: Treasury balance $\qquad$ | -41 | -86 |  |
| 24.40 | Unobligated balance available, end of year: Treasury balance $\qquad$ | 86 |  |  |
| 60.27 | Budget authority (appropriation) (trust fund, indefinite) $\qquad$ | 66 | 52 |  |
| Relation of obligations to outlays: |  |  |  |  |
| 71.00 | Total obligations ..................... | 57 | 138 |  |
| 72.40 | Obligated balance, start of year: Unpaid obligations: Treasury balance $\qquad$ | -10 | -15 |  |
| 74.40 | Obligated balance, end of year: Unpaid obligations: <br> Treasury balance $\qquad$ | 15 |  |  |
| 77.00 | Adjustments in expired accounts .............................. |  | 30 |  |
| 78.00 | Adjustments in unexpired accounts ......................... | -36 | .............. |  |
| 90.00 | Outlays ............................................................ | 26 | 153 |  |

Spending derives from contributions from the public. Activities supported include the Goals 2000 Teachers' Forum, and the Gifts and Bequests Miscellaneous Fund. No new contributions are currently anticipated for 1996.

Object Classification (in thousands of dollars)

| Identification code 91-8258-0-7-503 | 1994 actual | 1995 est. | 1996 est. |
| :---: | :---: | :---: | :---: |
| 25.2 Other services | 57 | 75 |  |


| 41.0 | Grants, subsidies, and contributions |  | 63 |
| :---: | :---: | :---: | :---: |
| 99.9 | Total obligations | 57 | 138 |

## GENERAL PROVISIONS

Sec. 301. No part of the funds contained in this title may be used to force any school or school district which is desegregated as that term is defined in title IV of the Civil Rights Act of 1964, Public Law 88-352, to take any action to force the busing of students; to force on account of race, creed or color the abolishment of any school so desegregated; or to force the transfer or assignment of any student attending any elementary or secondary school so desegregated to or from a particular school over the protest of his or her parents or parent.
SEC. 302. (a) No part of the funds contained in this title shall be used to force any school or school district which is desegregated as that term is defined in title IV of the Civil Rights Act of 1964, Public Law 88-352, to take any action to force the busing of students; to require the abolishment of any school so desegregated; or to force on account of race, creed or color the transfer of students to or from a particular school so desegregated as a condition precedent to obtaining Federal funds otherwise available to any State, school district or school.
(b) No funds appropriated in this Act may be used for the transportation of students or teachers (or for the purchase of equipment
for such transportation) in order to overcome racial imbalance in any school or school system, or for the transportation of students or teachers (or for the purchase of equipment for such transportation) in order to carry out a plan of racial desegregation of any school or school system.

Sec. 303. None of the funds contained in this Act shall be used to require, directly or indirectly, the transportation of any student to a school other than the school which is nearest the student's home, except for a student requiring special education, to the school offering such special education, in order to comply with title VI of the Civil Rights Act of 1964. For the purpose of this section an indirect requirement of transportation of students includes the transportation of students to carry out a plan involving the reorganization of the grade structure of schools, the pairing of schools, or the clustering of schools, or any combination of grade restructuring, pairing or clustering. The prohibition described in this section does not include the establishment of magnet schools.
Sec. 304. No funds appropriated under this Act may be used to prevent the implementation of programs of voluntary prayer and meditation in the public schools.
Sec. 305. None of the funds appropriated under this Act may be used to publish, release, report or finalize the designation of institutions to be reviewed under subpart 1 of part H of title IV of the Higher Education Act of 1965, as amended, until the State postsecondary review entity responsible for evaluating those institutions has received the Secretary's approval for its institutional review standards. (Department of Education Appropriations Act, 1995.)


[^0]:    ${ }^{1}$ Includes in all years institutional matching share of defaulted notes assigned from institutions to the Education Department.

