

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 July 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	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		-55,957	
24.40 Unobligated balance available, end of year: Treasury balance	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:			
Treasury balance	-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 1965[, 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 July 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-level 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	-104,814	-12,396	
24.40 Unobligated balance available, end of year: Treasury balance	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
Permanent:			
68.00 Spending authority from offsetting collections	15,206		
Relation of obligations to outlays:			
71.00 Total obligations	7,038,334	7,245,118	7,441,292
72.40 Obligated balance, start of year: Unpaid obligations:			
Treasury balance	7,409,558	7,556,346	7,769,277
74.40 Obligated balance, end of year: Unpaid obligations:			
Treasury balance	-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
Adjustments 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 [Improving 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(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. (Department of Education Appropriations Act, 1995.)*

Program and Financing (in thousands of dollars)

Identification 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		40,000	40,000
00.03 Payments for heavily impacted districts		40,000	20,000
00.91 Subtotal, payments for federally connected children		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	83,368	
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	-125,893	-151,660	
24.40	Unobligated balance available, end of year: Treasury balance	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)	913,208	728,000	650,000
Permanent:				
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: Treasury balance	591,861	642,083	433,436
74.40	Obligated balance, end of year: Unpaid obligations: Treasury balance	-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

Summary of Budget Authority and Outlays

(In thousands of dollars)

Enacted/requested:	1994 actual	1995 est.	1996 est.
Budget Authority	913,208	728,000	650,000
Outlays	829,952	1,088,307	704,574
Reinventing government proposal, not subject to PAYGO:			
Budget Authority			-31,000
Outlays			-25,420
Total:			
Budget Authority	913,208	728,000	619,000
Outlays	829,952	1,088,307	679,154

The Improving America's Schools Act reauthorized Impact Aid as Title VIII of the Elementary and Secondary Education Act.

Basic support payments.—Payments would be made on behalf of approximately 1.3 million federally connected children enrolled in over 1,700 school districts across the country. The request would provide an average payment of \$447 for each of these federally connected children.

Supplemental payments for children with disabilities.—Payments would be made for additional assistance to school districts educating federally connected children with disabilities. Approximately 55,000 such children are enrolled in school districts across the country. The request would provide approximately \$727 in additional assistance for the education of each of these children.

Payments for heavily impacted districts.—Increased payments would be provided for certain heavily impacted school districts, including school districts whose boundaries are the same as a military base, and school districts that enroll high

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

IMPACT AID

(REGO legislative proposal, not subject to PAYGO)

Program and Financing (in thousands of dollars)

Identification code 91-0102-6-1-501	1994 actual	1995 est.	1996 est.
Program by activities:			
00.01 Basic support payments			-31,000
10.00 Total obligations (object class 41.0)			-31,000
Financing:			
40.00 Budget authority (appropriation)			-31,000
Relation of obligations to outlays:			
71.00 Total obligations			-31,000
72.40 Obligated balance, start of year: Unpaid obligations: Treasury balance			
74.40 Obligated balance, end of year: Unpaid obligations: Treasury balance			5,580
90.00 Outlays			-25,420

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 law]; 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)

Identification code 91-1000-0-1-501	1994 actual	1995 est.	1996 est.
Program by activities:			
Direct program:			
Professional development and program innovation:			
00.01			
00.02			
00.03			
00.04			
Safe and drug-free schools and communities:			
00.05			
00.06			
00.07			
00.08			
00.09			
00.10			
00.11			
00.12			
00.13			
00.14			
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00.21			
00.22			
00.23			
00.24			
00.25			
00.26			
00.27			
00.28			
00.91			
01.01			
10.00			
Financing:			
17.00			
21.40			
24.40			
25.00			
39.00			
Budget authority:			
Current:			
40.00			
Permanent:			
68.00			
Relation of obligations to outlays:			
71.00			
72.40			
74.40			
77.00			
78.00			
87.00			
Adjustments to gross budget authority and outlays:			
Offsetting collections from:			
88.00			
88.40			
88.90			
89.00			

90.00	Outlays (net)	1,460,298	1,591,656	1,557,121
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Summary of Budget Authority and Outlays

[in thousands of dollars]

	1994 actual	1995 est.	1996 est.
Enacted/requested:			
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			-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.—Formula 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 include 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.—

Inexpensive book distribution.—Funds 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.—Funds 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 counseling.—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.

Comprehensive regional assistance centers.—Funds 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	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	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	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: 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, to] 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: Treasury balance			9,768
74.40 Obligated balance, end of year: Unpaid obligations: Treasury balance		-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 (VCRIF) 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 community-based 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	13,636		
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	8,382	4,241	5,454
74.40 Obligated balance, end of year: Unpaid obligations: 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

cept 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)

Identification 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	-100	-840	
24.40 Unobligated balance available, end of year: Treasury balance	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		-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: Treasury balance	85,521	86,045	87,395
74.40 Obligated balance, end of year: Unpaid obligations: Treasury balance	-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.—Formula 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	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		
Financing:			
21.40 Unobligated balance available, start of year: Treasury balance	-3	-1	
24.40 Unobligated balance available, end of year: Treasury balance	1		
25.00 Unobligated balance expiring		1	
39.00 Budget authority			
Relation of obligations to outlays:			
71.00 Total obligations	2		
72.40 Obligated balance, start of year: Unpaid obligations: Treasury balance		3	
74.40 Obligated balance, end of year: Unpaid obligations: Treasury balance	-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 law, and by title IV of the Carl D. Perkins Vocational and Applied Technology Education Act, \$245,200,000,] \$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	294,987	295,360	289,178
74.40 Obligated balance, end of year: Unpaid obligations: Treasury balance	-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)

Identification 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	-993,140	-444,112	
24.40 Unobligated balance available, end of year: Treasury balance	444,112		
25.00 Unobligated balance expiring	1,746		
39.00 Budget authority (gross)	3,109,102	3,252,846	
Budget authority:			
Current:			
40.00 Appropriation	3,108,702	3,252,846	
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	3,154,519	3,786,667	3,871,916
74.40 Obligated balance, end of year: Unpaid obligations: Treasury balance	-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

SPECIAL EDUCATION—Continued

(Legislative proposal, not subject to PAYGO)

Program and Financing (in thousands of dollars)—Continued

Program and Financing (in thousands of dollars)

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

Identification 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

Summary of Budget Authority and Outlays

[In thousands of dollars]

	1994 actual	1995 est.	1996 est.
Enacted/requested:			
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

	1994 actual	1995 est.	1996 est.
Relation of obligations to outlays:			
71.00 Total obligations			3,342,126
72.40 Obligated balance, start of year: Unpaid obligations:			
Treasury balance			
74.40 Obligated balance, end of year: Unpaid obligations:			
Treasury balance			-3,007,914
90.00 Outlays			334,212

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.

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.

Program measures under the current program include:

	1992 actual	1993 actual	1994 est.
Number of children served on December 1:			
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	143,392	150,783	158,300
	1989-1990 actual	1990-1991 actual	1991-1992 actual
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	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	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	

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			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)

Identification code 91-0301-0-1-506	1994 actual	1995 est.	1996 est.
Program by activities:			
Direct program:			
00.01 Vocational rehabilitation State grants	1,974,145	2,054,145	2,118,834
00.02 Technical assistance to States			1,000
00.03 Client assistance State grants	9,538	9,824	10,119
00.04 Training	39,614	39,629	39,629
00.05 Special demonstration programs	31,676	34,158	23,942
00.06 Migratory workers	1,171	1,421	1,421
00.07 Recreational programs	2,595	2,596	2,596
00.08 Protection and advocacy	5,500	7,456	7,456
00.09 Projects with industry	22,071	22,071	22,071
00.10 Supported employment State grants	34,536	36,536	38,152
00.11 Independent living	62,952	71,344	72,560
00.12 Evaluation	1,600	1,587	1,587
00.13 Helen Keller National Center	6,741	6,936	7,144
00.14 National Institute on Disability and Rehabilitation Research	68,146	70,000	70,000
00.15 Assistive technology	37,742	39,249	40,426
00.91 Total, direct program	2,298,027	2,396,952	2,456,937
01.01 Reimbursable program	2,543		
10.00 Total obligations	2,300,570	2,396,952	2,456,937
Financing:			
21.40 Unobligated balance available, start of year: Treasury balance	-4,719	-3,600	
24.40 Unobligated balance available, end of year: Treasury balance	3,600		
25.00 Unobligated balance expiring	29		
39.00 Budget authority (gross)	2,299,479	2,393,352	2,456,937
Budget authority:			
Current:			
40.00 Appropriation	2,296,936	2,393,352	2,456,937
Permanent:			
68.00 Spending authority from offsetting collections	2,543		
Relation of obligations to outlays:			
71.00 Total obligations	2,300,570	2,396,952	2,456,937
72.40 Obligated balance, start of year: Unpaid obligations: Treasury balance	844,935	875,812	718,648
74.40 Obligated balance, end of year: Unpaid obligations: Treasury balance	-875,812	-718,648	-661,055
77.00 Adjustments in expired accounts	-22,924		
87.00 Outlays (gross)	2,246,769	2,554,116	2,514,530
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
Eligible individuals in the VR system	1,048,527	1,195,300
Severe disabilities, percent	73	74
Rehabilitations	193,994	203,000
Severe disabilities, percent	71	73

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.—Formula 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 non-profit 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 multi-year 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 Research.—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	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	339	1,166	401
74.40 Obligated balance, end of year: Unpaid obligations: 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	3,171	2,778	5,148
74.40 Obligated balance, end of year: Unpaid obligations: 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	5,703	7,207	8,839
74.40 Obligated balance, end of year: Unpaid obligations: 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(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:			
00.01	Basic State grants	932,221	978,971
00.02	Indian and Hawaiian natives set-aside	15,108	30,228
00.03	Territorial set-aside	2,009	2,967
00.91	Subtotal, basic grants	949,338	1,012,166
01.01	Community-based organizations	11,499	9,765
01.02	Consumer and homemaking education	33,895	35,234
01.03	State councils	9,087	9,006
01.04	Tech-prep education	101,554	110,569
01.05	Tribally controlled postsecondary vocational institutions	2,946	2,919
National programs:			
02.01	Research	7,452	17,268
02.02	Demonstrations	19,134	41,733
02.03	Data systems	4,077	6,885
02.91	Subtotal, national programs	30,663	65,886
03.01	Bilingual vocational training	2,977	2,869
04.00	Total, annual appropriation	1,141,959	1,248,414
Permanent appropriation:			
05.01	Basic grants	6,848	6,848
05.02	Indian and Hawaiian natives set-aside	107	215
05.03	Territorial set-aside	14	21
05.04	National programs	357	179
05.91	Total, permanent appropriation	6,969	7,441
06.00	Total, vocational education	1,148,928	1,255,855
Adult education:			
07.01	State programs	254,724	252,345
National programs:			
07.02	Evaluation and technical assistance	3,579	7,528

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
09.01	Reimbursable program	906	52
10.00	Total obligations	1,456,185	1,602,882
Financing:			
17.00	Recovery of prior year obligations	-585	
21.40	Unobligated balance available, start of year: Treasury balance	-89,262	-122,570
24.40	Unobligated balance available, end of year: Treasury balance	122,570	11
25.00	Unobligated balance expiring	381	
39.00	Budget authority (gross)	1,489,289	1,480,323
Budget authority:			
Current:			
40.00	Appropriation	1,481,183	1,473,175
Permanent:			
60.00	Appropriation	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
72.40	Obligated balance, start of year: Unpaid obligations: Treasury balance	1,571,446	1,681,559
74.40	Obligated balance, end of year: Unpaid obligations: Treasury balance	-1,681,559	-1,735,347
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
Adjustments to gross budget authority and outlays:			
Offsetting collections from:			
88.00	Federal sources	-776	
88.40	Non-Federal sources	-182	
88.90	Total, offsetting collections	-958	
89.00	Budget authority (net)	1,488,331	1,480,323
90.00	Outlays (net)	1,340,763	1,549,094

Summary of Budget Authority and Outlays

(in thousands of dollars)

Enacted/requested:	1994 actual	1995 est.	1996 est.
Budget Authority	1,488,331	1,480,323	7,148
Outlays	1,340,763	1,549,094	1,386,825
Legislative proposal, not subject to PAYGO:			
Budget Authority			1,668,575
Outlays			192,655
Legislative proposal, subject to PAYGO:			
Budget Authority			-7,148
Outlays			-858
Rescission proposal:			
Budget Authority		-43,888	
Outlays		-5,267	-29,844
Total:			
Budget Authority	1,488,331	1,436,435	1,668,575
Outlays	1,340,763	1,543,827	1,548,778

Budget authority for vocational and adult education includes the following amounts:

(In thousands of dollars)

	1994 actual	1995 est.	1996 est.
1. Vocational education:			
a. Basic grants	972,750	972,750	
b. Community-based organizations	11,785	9,479	
c. Consumer and homemaking education	34,720	34,409	
d. Tech-prep education	104,123	108,000	
e. Tribally controlled postsecondary vocational institutions	2,946	2,919	
f. State councils	8,928	8,848	
g. National programs	38,077	34,535	
h. Bilingual vocational training	2,946		
i. Permanent appropriation	7,148	7,148	
2. Adult education:			
a. State programs	254,624	252,345	

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, including 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	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	1,450,319	1,596,830	7,148
Allocation to Employment and Training Administration			
Allocation Account—Direct Obligations:			
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

Personnel Summary

Identification code 91-0400-0-1-501	1994 actual	1995 est.	1996 est.
1001 Total compensable workyears: Full-time equivalent employment	11	8	

**VOCATIONAL AND ADULT EDUCATION
(Legislative proposal, not subject to PAYGO)**

Program and Financing (in thousands of dollars)

Identification code 91-0400-2-1-501	1994 actual	1995 est.	1996 est.
Program by activities:			
00.01 State grants			1,141,088
00.02 National programs			37,000
00.91 Subtotal, vocational education			1,178,088
01.01 State grants			479,487
01.02 National programs			11,000
01.91 Subtotal, adult education and family literacy			490,487
10.00 Total obligations			1,668,575
Financing:			
40.00 Budget authority (appropriation)			1,668,575
Relation of obligations to outlays:			
71.00 Total obligations			1,668,575

72.40 Obligated balance, start of year: Unpaid obligations:			
Treasury balance			
74.40 Obligated balance, end of year: Unpaid obligations:			
Treasury balance			-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 Job 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 in-school 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			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: Full-time equivalent employment			8

VOCATIONAL AND ADULT EDUCATION
(Legislative proposal, subject to PAYGO)

Program and Financing (in thousands of dollars)

Identification 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)			-7,148
Relation of obligations to outlays:			
71.00 Total obligations			-7,148
72.40 Obligated balance, start of year: Unpaid obligations:			
Treasury balance			
74.40 Obligated balance, end of year: Unpaid obligations:			
Treasury balance			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

Federal Funds

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(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	-2,765,473	-3,074,129	-2,375,131
24.40 Unobligated balance available, end of year: Treasury balance	3,074,129	2,375,131	2,365,547
25.00 Unobligated balance expiring	92		
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
Permanent:			
62.00 Transferred from other accounts ²	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	2,681,299	3,333,920	4,477,711
74.40 Obligated balance, end of year: Unpaid obligations:			
Treasury balance	-3,333,920	-4,477,711	-4,488,454
77.00 Adjustments in expired accounts	-23,920		
78.00 Adjustments in unexpired accounts	-96,107		
90.00 Outlays	7,118,034	7,261,342	7,658,256

¹Includes 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.

²Represents 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]

	1994 actual	1995 est.	1996 est.
Enacted/requested:			
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	-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

¹Includes in all years institutional matching share of defaulted notes assigned from institutions to the Education Department.

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 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]

	1994 actual	1995 est.	1996 est.
Department of Education:			
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 loans	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 loans	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	30,686	32,531	35,781
Department of Labor:			
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

¹Adjusted 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]

	1994 actual	1995 est.	1996 est.
Department of Education:			
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 loans	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

¹Adjusted 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]

	1994 actual	1995 est.	1996 est.
Department of Education:			
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]		
	1994 actual	1995 est.	1996 est.
Outstanding defaulted loans, beginning of year:			
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			
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			-1,081,893
72.40 Obligated balance, start of year: Unpaid obligations: Treasury balance			
74.40 Obligated balance, end of year: Unpaid obligations: Treasury balance			732,895
90.00 Outlays			-348,998

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 expended[, 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)

Identification 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	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	148,139	148,849	116,590
Aid for students:			
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	-17,020	-19,864	-4,131
24.40 Unobligated balance available, end of year: Treasury balance	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	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 dollars]		
	1994 actual	1995 est.	1996 est.
Enacted/requested:			
Budget Authority	893,688	962,842	931,511
Outlays	796,278	902,542	890,056
Rescission proposal:			
Budget Authority		-26,903	
Outlays		-3,228	-18,294

General and special funds—Continued

HIGHER EDUCATION—Continued

Summary of Budget Authority and Outlays—Continued

(In thousands of dollars)

	1994 actual	1995 est.	1996 est.
Reinventing government proposal, not subject to PAYGO:			
Budget Authority			-110,739
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 universities.—*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.—*Funds support Hispanic-serving institutions to enable them to improve and expand their capacity to serve Hispanic and low-income students.

*Endowment challenge grants.—*Funds 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 development.—*Funds 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; Javits fellowships, to assist outstanding students to complete graduate-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		1994 actual	1995 est.	1996 est.
91-0201-0-1-502				
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		1994 actual	1995 est.	1996 est.
91-0201-6-1-502				
Program by activities:				
00.01	Strengthening institutions			-40,000
00.04	Endowment challenge grants			-6,045
00.91	Subtotal, aid for institutional 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			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)[, \$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	24,883	14,544	13,887
74.40 Obligated balance, end of year: Unpaid obligations: Treasury balance	-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	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: Treasury balance .....	.....	72,482	416,002
74.40 Obligated balance, end of year: Unpaid obligations: Treasury balance	-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)

	1994 actual	1995 est.	1996 est.
Enacted/requested:			
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)

Identification 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	.....
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	.....
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 loans as of July 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. (For 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 July 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 loans, 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 January 1, 1995, most pre-FY 1992 FFEL Stafford loans will be converted to variable interest rates comparable to those under Direct Loans.

Consolidation loans 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 loans, 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 loan holder and Sallie Mae fees are based on loan 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

¹Liquidating 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.
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.
³Includes both Direct Loan administration activities and costs associated with the phase-out of the FFEL program, 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:			
Stafford	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

Total, Direct Loans	813,255	7,094,483	18,814,627
Total, FFEL and Direct Loans	24,027,221	25,757,146	28,355,594

¹Net commitments equal gross commitments minus loan cancellations.
²The 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.
³No Direct Consolidation Loans were made in 1994.

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

¹The 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.
²No 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

¹The 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.
²No 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	813,255	7,094,484	19,152,664
Subsidy Rates (in percent)²			
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			
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

¹The 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.

²Subsidy rates represent the Federal portion of non-administrative costs—principally interest subsidies and defaults—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.

³Default 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.

⁴Interest 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:			
Beginning Balance:			
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

¹This table represents cash transactions occurring within a given fiscal year, regardless of loan cohort.

²The Liquidating account reflects loans made prior to 1992.

³Adjustments represent payments made by the Federal Government.

⁴Write-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 Repayment¹ (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

¹No 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.

²Percent of Direct Loan Volume represents aggregate data. Individual borrowers may move between plans over time.

³Subsidy rate reflects weighted average for four loan types: Stafford, Unsubsidized Stafford, PLUS, and Consolidation Loans.

⁴Maximum terms under the Extended and Graduated repayment plans reflect the following "classes" based on borrower debt levels.

Debt Level:	Maximum Term (in years)	Percent of Volume Within Affected Plans
Below \$10,000	12	57.57
\$10,000–\$20,000	15	24.28
\$20,000–\$40,000	20	14.56
\$40,000–\$60,000	25	2.22
Above \$60,000	30	1.37

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 category data for the FFEL account is collected by guaranty agencies and the Department's Debt Collection Service. 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) proprietary 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)		
	1994 actual	1995 est.	1996 est.
Risk Categories:			
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
	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 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)		
	1994 actual	1995 est.	1996 est.
Risk Categories:			
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	11.75	3.29	-2.82
	Gross Default Rates (in percent)		
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

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)		
	1994 actual	1995 est.	1996 est.
Risk Categories:			
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

UNSUBSIDIZED STAFFORD LOANS

	Subsidy Rate (as a percentage of loan commitments)		
	1994 actual	1995 est.	1996 est.
Risk Categories:			
Category 1: 4 year college, 1st and 2nd year students	1.40	2.93	2.60
Category 2: 4 year college, all other students	0.51	0.57	0.50
Category 3: 2 year school, all students	3.78	6.19	5.48
Category 4: Proprietary school, all students	5.84	9.10	8.05
	Gross Default Rates (in percent)		
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

SLS LOANS

	Subsidy Rate (as a percentage of loan commitments)		
	1994 actual	1995 est.	1996 est.
Category 1: Non-proprietary school students .....	.07		
Category 2: Proprietary school students	12.28		
	Gross Default Rate (in percent)		
Risk Categories:			
Category 1: Non-proprietary school students	10.5		
Category 2: Proprietary school students	30.0		

PLUS LOANS

	Subsidy Rates (as a percentage of loan commitments)		
	1994 actual	1995 est.	1996 est.
All PLUS loans	2.39	1.79	1.64
	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	0.10	4.72	-0.59
	Gross Default Rates (in percent)		
All consolidated loans	9.00	9.00	9.00

Summary of Program Costs and Offsets (In thousands of dollars)

	1994 actual	1995 est.	1996 est.
Interest subsidy costs:			
FFEL:			
Interest benefits	1,572,484	2,377,212	2,125,245
Special allowance	169,891	614,303	379,111
Total FFEL	1,642,385	2,981,515	2,504,356
Direct Loans ¹	29,450	220,845	969,929

Credit accounts—Continued

FEDERAL DIRECT STUDENT LOAN PROGRAM ACCOUNT—Continued

Summary of Program Costs and Offsets (In thousands of dollars)—Continued

	1994 actual	1995 est.	1996 est.
Default costs and offsets:			
Default costs ² :			
FFEL	2,455,816	2,483,536	2,542,060
Direct Loans		17,897	85,022
Gross default collections:			
FFEL	-1,616,158	-1,761,152	-1,900,051
Direct Loans		-1,487	-14,765
Default collection costs:			
FFEL:			
Contract collection costs	56,353	116,754	144,939
Guaranty agency retention	194,907	153,130	153,334
Total, FFEL collect costs	151,260	269,884	298,273
Direct Loans:			
Collection costs ³		316	3,139
Net default costs ⁴ :			
FFEL	1,090,948	992,267	940,283
Direct Loans		16,726	73,396
Death, disability, and bankruptcy costs:			
FFEL	261,806	169,184	118,946
Direct Loans		1,359	5,772
Other write-offs ^{5, 6}	454,163	620,736	761,408
Administrative Costs:			
Federal administration:			
FFEL	69,966	62,191	30,066
Student Loans ⁷	162,428	131,701	414,448
Guaranty agency administrative payments:			
FFEL ⁸	23,000		
Student Loans ⁹	97,572	213,299	135,552
Supplemental preclaims assistance ⁵	50,128	32,581	25,985
Payments for origination services ¹⁰	1,800	30,796	69,990
Fees:			
Borrower origination fees:			
FFEL	-778,208	-636,982	332,116
Direct Loans	-5,709	-130,747	-523,569
Lender origination fee ⁵	-61,283	-94,553	-55,353
Reinsurance fees paid to government ⁵	-25,320		
State default fees ⁵			-25,000
Sallie Mae offset fee ⁵		-29,000	-38,000
Consolidation loan holder fees ⁵	-5,710	-7,074	-2,722

¹ This represents net interest costs associated with Direct Loans.
² Default costs under FFEL reflect claims paid to guaranty agencies. Default costs under Direct Loans reflect non-repayment of defaulted loans.
³ In the budget schedules, Direct Loan collections are displayed net of collection costs.
⁴ Net default costs equal default claims minus net collections (gross collections minus contract collection costs and guaranty agency retention).
⁵ Applies to FFEL program only.
⁶ Includes repayment of agency advances, elimination of excess agency reserves, through direct payments to the Government and reduced reinsurance payments to the agencies, and purchase of rehabilitated loans by the agencies.
⁷ A number of expenses related to the phase-out of the FFEL program are paid out of Student Loan administration funds. The largest of these, administrative expense allowances to guaranty agencies, is shown as a separate line.
⁸ Administrative Cost Allowances paid from FFEL subsidy funds.
⁹ Administrative Expense Allowances paid from Student Loan administrative funds.
¹⁰ Applies to Direct Loans only.

Object Classification (in thousands of dollars)

Identification code 91-0243-0-1-502	1994 actual	1995 est.	1996 est.
Personnel compensation:			
11.1 Full-time permanent	6,519	15,832	23,330
11.3 Other than full-time permanent	138		
11.5 Other personnel compensation	618	399	740
11.8 Special personal services payments	1		
11.9 Total personnel compensation	7,276	16,231	24,070
12.1 Civilian personnel benefits	1,296	3,479	5,360
13.0 Benefits for former personnel	102		
21.0 Travel and transportation of persons	499	1,619	3,673
23.1 Rental payments to GSA	1,190	7,850	10,529
23.3 Communications, utilities, and miscellaneous charges	2,761	2,072	4,386
24.0 Printing and reproduction	2,249	3,484	5,913
25.1 Advisory and assistance services	1,037	1,631	1,011
25.2 Other services	46,727	134,354	329,808
25.3 Purchases of goods and services from Government accounts	1,054	5,850	5,228
26.0 Supplies and materials	629	493	644
31.0 Equipment	2,611	2,885	2,490
33.0 Investments and loans	55,726	793,219	1,079,043
41.0 Grants, subsidies, and contributions	97,572	213,299	156,888
99.9 Total obligations	220,729	1,186,466	1,629,043

Personnel Summary

Identification code 91-0243-0-1-502	1994 actual	1995 est.	1996 est.
1001 Total compensable workyears: Full-time equivalent employment	140	346	496

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)

Identification 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			-20,111
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			
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)

Identification 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	813,255	7,092,175	14,144,473
Payment of origination services:				
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)	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		-29,486	-299,636
72.90	Unpaid obligations		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
88.00	Consolidated		-52,381	15,394
Interest on uninvested funds:				
88.25	Stafford	-16,876		
88.25	Unsubsidized Stafford	-7,150		
88.25	PLUS	-3,304		
88.25	Consolidated			
Non-Federal sources:				
Stafford loans:				
88.40	Repayment of principal	-10	-3,213	-30,428
88.40	Interest received on loans		-4,436	-52,990
88.40	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
88.40	Interest received on loans		-21,485	-74,879
88.40	Fees	-691	9,917	31,546
88.40	Recoveries of defaults		-318	-5,862
Consolidated loans:				
88.40	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	5,047,939	11,391,604
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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	-10	-3,213	-30,428
Write-offs for default:				
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				
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	-4	-1,131	-13,284
Write-offs for default:				
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	892,068
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				
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		1,629,290	3,946,247
Balance Sheet (in thousands of dollars)				
Identification code 91-4253-0-3-502	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 ACCOUNT—Continued

Balance Sheet (in thousands of dollars)—Continued

Identification code	1993 actual	1994 actual	1995 est.	1996 est.
91-4253-0-3-502				
Net value of assets related to post-1991 direct loans receivable:				
Direct loans receivable, gross:				
1401		191,987	2,445,630	8,943,864
1401		81,351	998,418	3,795,541
1401		37,592	317,035	1,059,829
1401				
Direct loans receivable, gross				
1405			1,643,871	4,012,963
Allowance for subsidy cost (-)				
		-26,240	-527,206	-1,555,802
1499				
Net present value of assets related to direct loans				
		284,690	4,877,748	16,256,395
1999				
Total assets				
		314,176	5,194,186	16,623,282
LIABILITIES:				
2103				
Federal liabilities: Debt				
		787,003	6,656,779	13,499,550
2999				
Total liabilities				
		787,003	6,656,779	13,499,550
NET POSITION:				
3100				
Appropriated capital				
		29,486	316,438	366,887
3999				
Total net position				
		29,486	316,438	366,887
4999				
Total liabilities and net position				
		816,489	6,973,217	13,866,437

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)

Identification code	1994 actual	1995 est.	1996 est.
91-4253-4-3-502			
Program by activities:			
01.01			2,900,490
01.02			1,209,710
01.03			333,114
01.04			561,983
01.91			5,005,297
Subtotal, Direct Loans obligations			
Payment of origination services:			
02.01			9,146
02.02			2,841
02.03			608
02.04			2,259
02.91			14,854
03.01			130,444
10.00			5,150,595
Total obligations			
Financing:			
39.00			5,150,595
Financing authority:			
67.15			4,618,556
68.00			532,039
Relation of obligations to financing disbursements:			
71.00			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			195,330
Receivables from other government accounts			
74.90			-1,286,461
Unpaid obligations: Fund balance			
87.00			4,059,464
Financing disbursements (gross)			

Adjustments to financing authority and financing disbursements:

Identification code	1994 actual	1995 est.	1996 est.
88.00			
Offsetting collections from:			
Federal sources:			
88.00			-479,985
Stafford			
88.00			20,111
Unsubsidized Stafford			
88.00			37,070
PLUS			
88.00			3,336
Consolidated			
Non-Federal sources:			
88.40			-1,661
Stafford: Payment of principal			
88.40			-4,160
Stafford: Interest received on loans			
88.40			-76,596
Stafford: Origination fees			
88.40			-253
Stafford: Recoveries of defaults			
88.40			-656
Unsubsidized Stafford: Payment of principal			
88.40			-1,658
Unsubsidized Stafford: Interest received on loans			
88.40			32,865
Unsubsidized Stafford: Origination fees			
88.40			-105
Unsubsidized Stafford: Recoveries of defaults			
88.40			-8,066
PLUS: Payment of principal			
88.40			-17,363
PLUS: Interest received on loans			
88.40			8,999
PLUS: Origination fees			
88.40			-253
PLUS: Recoveries on defaults			
88.40			-19,477
Consolidated: Payment of principal			
88.40			-24,187
Consolidated: Interest received on loans			
88.90			-532,039
Total, offsetting collections			
89.00			4,618,556
Financing authority (net)			
90.00			3,527,425
Financing disbursements (net)			

Status of Direct Loans (in thousands of dollars)

Identification code	1994 actual	1995 est.	1996 est.
91-4253-4-3-502			
STAFFORD			
Position with respect to appropriations act limitation on obligations:			
1111			
Limitation on direct loans			
1131			2,900,490
Direct loan obligations exempt from limitation			
1150			2,900,490
Total direct loan obligations			
Cumulative balance of direct loans outstanding:			
1210			
Outstanding, start of year			
1231			1,914,903
Disbursements: Direct loan disbursements			
1251			-1,661
Repayments: Repayments and prepayments			
Write-offs for default:			
1263			-831
Direct loans			
1264			-33
Other adjustments, net			
1290			1,912,378
Outstanding, end of year			
UNSUBSIDIZED STAFFORD			
Position with respect to appropriations act limitation on obligations:			
1111			
Limitation on direct loans			
1131			1,209,710
Direct loan obligations exempt from limitation			
1150			1,209,710
Total direct loan obligations			
Cumulative balance of direct loans outstanding:			
1210			
Outstanding, start of year			
1231			821,635
Disbursements: Direct loan disbursements			
1251			-656
Repayments: Repayments and prepayments			
Write-offs for default:			
1263			-321
Direct loans			
1264			-15
Other adjustments, net			
1290			820,643
Outstanding, end of year			
PLUS			
Position with respect to appropriations act limitation on obligations:			
1111			
Limitation on direct loans			
1131			333,114
Direct loan obligations exempt from limitation			
1150			333,114
Total direct loan obligations			
Cumulative balance of direct loans outstanding:			
1210			
Outstanding, start of year			
1231			224,985
Disbursements: Direct loan disbursements			
1251			-8,066
Repayments: Repayments and prepayments			
Write-offs for default:			
1263			-1,868
Direct loans			
1264			-139
Other adjustments, net			
1290			214,912
Outstanding, end of year			

CONSOLIDATED LOANS
Position with respect to appropriations act limitation on obligations:

1111	Limitation on direct loans			
1131	Direct loan 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

Balance Sheet (in thousands of dollars)

Identification code	91-4253-4-3-502	1993 actual	1994 actual	1995 est.	1996 est.
ASSETS:					
1101	Federal assets: Fund balances with Treasury				144,615
	Net value of assets related to post-1991 direct loans receivable:				
	Direct loans receivable, gross:				
1401	Stafford				1,913,242
1401	Unsubsidized Stafford				820,979
1401	PLUS				216,919
1401	Consolidated				542,506
1405	Allowance for subsidy cost (-)				-274,852
1499	Net present value of assets related to direct loans				3,218,794
1999	Total assets				3,363,409
LIABILITIES:					
2103	Federal liabilities: Debt				4,763,171
2999	Total liabilities				4,763,171
NET POSITION:					
3100	Appropriated capital				144,615
3999	Total net position				144,615
4999	Total liabilities and net position				4,907,786

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	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)

Identification code	91-0231-0-1-502	1994 actual	1995 est.	1996 est.
Program by activities:				
Guaranteed loan subsidy:				
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: Treasury balance	1,330,321	1,590,446	2,143,144
74.40	Obligated balance, end of year: Unpaid obligations: Treasury balance	-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			-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)

Identification code	91-0231-0-1-502	1994 actual	1995 est.	1996 est.
Guaranteed loan levels supportable by subsidy budget authority:				
2150	Stafford	13,926,097	12,076,050	9,200,400
2150	Unsubsidized Stafford	4,209,194	5,053,195	3,836,947
2150	PLUS	1,484,575	1,431,425	1,086,800
2150	SLS	2,027,388		
2150	Consolidated	1,645,000	1,484,854	1,129,932
2159	Total guarantee loan levels	23,292,254	20,045,524	15,254,079
Guaranteed loan subsidy (in percent):				
2320	Stafford	18.22	24.36	22.84
2320	Unsubsidized Stafford	3.06	5.37	4.74
2320	PLUS	0.62	1.79	1.64
2320	SLS	2.39	0.00	0.00
2320	Consolidated	0.10	4.72	7.86
2329	Weighted average subsidy rate	11.70	11.62	15.67
Guaranteed loan subsidy budget authority:				
2330	Stafford	2,537,156	2,941,290	2,101,690
2330	Unsubsidized Stafford	128,988	271,357	181,871
2330	PLUS	9,160	25,623	17,824
2330	SLS	48,448		
2330	Consolidated	1,646	70,085	88,813
2330	Upward Reestimate	207,634	465,379	

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.
2339 Total subsidy budget authority	2,933,032	3,773,734	2,390,198
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.

Object Classification (in thousands of dollars)

Identification code 91-0231-0-1-502	1994 actual	1995 est.	1996 est.
Personnel compensation:			
11.1 Full-time permanent	19,867	22,169	23,333
11.3 Other than full-time permanent	582		
11.5 Other personnel compensation	154	273	281
11.8 Special personal services payments	5		
11.9 Total personnel compensation	20,608	22,442	23,614
12.1 Civilian personnel benefits	4,082	4,893	5,149
13.0 Benefits for former personnel	1,135	90	
21.0 Travel and transportation of persons	1,784	1,382	1,423
22.0 Transportation of things	1	1	1
23.1 Rental payments to GSA	2,852	2,982	3,071
23.3 Communications, utilities, and miscellaneous charges	1,029	1,490	1,534
24.0 Printing and reproduction	1,303	2,202	2,268
25.2 Other services	33,594	24,619	25,359
25.3 Purchases of goods and services from Government accounts	1,854	1,592	1,640
25.4 Operation of GOCOs	44		
26.0 Supplies and materials	303	223	230
31.0 Equipment	1,325	275	283
41.0 Grants, subsidies, and contributions	2,933,032	3,773,733	2,355,692
43.0 Interest and dividends	3		
99.9 Total obligations	3,002,949	3,835,924	2,420,264

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)

Identification code 91-0231-4-1-502	1994 actual	1995 est.	1996 est.
Program by activities:			
02.01 Guaranteed loan 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:			
Treasury balance			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			-5,006,483
Guaranteed loan subsidy budget authority:			
2330 Stafford			-662,758
2330 Unsubsidized Stafford			-57,352
2330 PLUS			-5,475
2330 Consolidated			-44,123
2339 Total subsidy budget authority			-769,708
Guaranteed loan subsidy outlays:			
2340 Stafford			-428,599
2340 Unsubsidized Stafford			-37,286
2340 PLUS			-3,638
2340 Consolidated			-42,799
2349 Total subsidy outlays			-512,322

Object Classification (in thousands of dollars)

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			-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)

Identification 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 agencies	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	1,411,635	3,031,248	3,573,877
Unsubsidized Stafford loans:			
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	64		
02.06 Supplemental preclaims assistance	54	203	819
02.07 Contract collection costs	37	205	1,093
02.91 Subtotal, Unsubsidized Stafford loans	9,065	51,438	210,680
PLUS loans:			
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	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	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 loans:			
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	-4,311,263	-6,358,860	-7,357,210
24.90 Unobligated balance available, end of year: Fund balance	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)	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 loans	-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	-604,797	-589,449	-537,545
88.25	Interest on uninvested funds: Stafford loans	-287,866	-38,937	-63,147
Non-Federal sources:				
Stafford loans:				
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	-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	
88.40	Consolidated loans: Recoveries on defaults			-264
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				
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	-1,121,885	-1,026,258	-2,358,369
Adjustments:				
2261	Terminations for default that result in loans receivable	-379,628	-816,539	-1,248,384
2263	Terminations for default that result in claim payments	-12,074	-20,236	-25,882
2290	Outstanding, end of year	28,016,251	38,476,631	43,944,000
Memorandum:				
2299	Guaranteed amount of guaranteed loans outstanding, end of year	28,016,251	38,476,631	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	-118,323	-121,436	-155,054
Adjustments:			
2261 Terminations for default that result in loans receivable	-6,249	-39,346	-178,768
2263 Terminations for default that result in claim payments	-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
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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	1,484,575	1,431,425	1,086,800
2150 Total guaranteed loan commitments	1,484,575	1,431,425	1,086,800

Cumulative balance of guaranteed loans outstanding:

2210 Outstanding, start of year	1,815,000	2,675,151	3,652,337
2231 Disbursements of new guaranteed loans	1,260,363	1,457,239	1,068,613
2251 Repayments and prepayments	-331,964	-364,694	-466,399
Adjustments:			
2261 Terminations for default that result in loans receivable	-65,183	-111,652	-129,203
2263 Terminations for default that result in claim payments	-3,065	-3,707	-4,751
2290 Outstanding, end of year	2,675,151	3,652,337	4,120,597

Memorandum:

2299 Guaranteed amount of guaranteed loans outstanding, end of year	2,675,151	3,652,337	4,120,597
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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	-739,317	-34,184	-56,591
Adjustments:			
2261 Terminations for default that result in loans receivable	-197,170	-319,623	-281,387
2263 Terminations for default that result in claim payments	-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	4,841,232	5,062,516	4,722,655
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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 loan 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		-189,736	-206,708
Adjustments:			
2261 Terminations for default that result in loans receivable			-27,376
2263 Terminations for default that result in claim payments		-472	-929
2290 Outstanding, end of year		1,224,524	2,078,208

Memorandum:

2299 Guaranteed amount of guaranteed loans outstanding, end of year		1,224,524	2,078,208
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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)

Identification code 91-4251-0-3-502	1993 actual	1994 actual	1995 est.	1996 est.
ASSETS:				
1101 Federal assets: Fund balances with Treasury		6,358,857	7,357,210	6,354,576
Net value of assets related to post-1991 acquired defaulted guaranteed loans receivable:				
1501 Defaulted guaranteed loans receivable, gross		693,770	1,814,896	3,322,106
1505 Allowance for subsidy cost (-)		-49,892	-112,017	-235,104
1599 Net present value of assets related to defaulted guaranteed loans		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		1,616,953	1,149,023	801,045
1704 Defaulted guaranteed loans and interest receivable, net		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		8,619,688	10,209,112	10,242,623
LIABILITIES:				
2103 Federal liabilities: Debt		2,058,407	1,605,314	1,134,177
2999 Total liabilities		2,058,407	1,605,314	1,134,177

NET POSITION:				
3100	Appropriated capital	6,561,281	8,603,799	9,108,447
3999	Total net position	6,561,281	8,603,799	9,108,447
4999	Total liabilities and net position	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)

Program and Financing (in thousands of dollars)

Identification 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 loans		-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:			
24.90	Unobligated balance available, end of year: Fund balance		-385,377
39.00	Financing authority (gross)		-835,144
Financing authority:			
68.00	Spending authority from offsetting collections		-773,737
68.47	Portion applied to debt reduction		-61,407
68.90	Spending authority from offsetting collections (total)		-835,144
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
Adjustments to financing authority and financing disbursements:			
Offsetting collections from:			
Federal sources:			
Payments from subsidy account:			
88.00	Stafford loans		511,437
88.00	Unsubsidized Stafford loans		45,168
88.00	PLUS loans		4,227
88.00	Consolidated loans		41,458
88.25	Interest on uninvested funds		1,740
Non-Federal sources:			
Stafford loans:			
88.40	Recoveries on defaults		13,909

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)		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 lenders		
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		-667,749
Adjustments:			
2261	Terminations for default that result in loans receivable		103,659
2263	Terminations for default that result in claim payments		1,411
2290	Outstanding, end of year		-2,440,731
Memorandum:			
2299	Guaranteed amount of guaranteed loans outstanding, end of year		-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		
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		-292,261
Adjustments:			
2261	Terminations for default that result in loans receivable		3,759
2263	Terminations for default that result in claim payments		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		
2331	Disbursements for guaranteed loan claims		-3,759
2351	Repayments of loans receivable		
2361	Write-offs of loans receivable		-779
2390	Outstanding, end of year		-4,538

Credit accounts—Continued

**FEDERAL FAMILY EDUCATION LOAN PROGRAM FINANCING
ACCOUNT—Continued**

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

Identification code 91-4251-4-3-502	1994 actual	1995 est.	1996 est.
PLUS			
Position with respect to appropriations act limitation on commitments:			
2111			
2131			-334,000
2150			-334,000
Cumulative balance of guaranteed loans outstanding:			
2210			
2231			-221,904
2251			14,722
Adjustments:			
2261			13,032
2263			1,044
2290			-193,106
Memorandum:			
2299			-193,106
Addendum:			
Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310			
2331			-13,032
2361			-499
2390			-13,531
SLS			
Position with respect to appropriations act limitation on commitments:			
2111			
2150			
Cumulative balance of guaranteed loans outstanding:			
2210			
2251			-5,894
2261			5,894
2290			
Addendum:			
Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310			
2331			-5,894
2361			-1,560
2390			-7,454
CONSOLIDATED			
Position with respect to appropriations act limitation on commitments:			
2111			
2131			-568,748
2150			-568,748
Cumulative balance of guaranteed loans outstanding:			
2210			
2231			-544,348
2251			72,258
Adjustments:			
2263			929
2290			-471,161

Memorandum:

2299	Guaranteed amount of guaranteed loans outstanding, end of year	-471,161
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Balance Sheet (in thousands of dollars)

Identification code 91-4251-4-3-502	1993 actual	1994 actual	1995 est.	1996 est.
ASSETS:				
1101				
	Federal assets: Fund balances with Treasury			-385,374
	Net value of assets related to post-1991 acquired defaulted guaranteed loans receivable:			
1501	Defaulted guaranteed loans receivable, gross			-113,610
1505	Allowance for subsidy cost (-)			13,909
1599	Net present value of assets related to defaulted guaranteed loans			-99,701
	Net value of assets related to pre-1992 direct loans receivable and acquired defaulted guaranteed loans receivable:			
1701	Defaulted guaranteed loans, gross			34,330
1703	Allowance for estimated uncollectible loans and interest (-)			-722,000
1704	Defaulted guaranteed loans and interest receivable, net			-2,063,010
1799	Value of assets related to loan guarantees			-687,670
1999	Total assets			-1,172,745
NET POSITION:				
3100	Appropriated capital			-1,172,744
3999	Total net position			-1,172,744
4999	Total liabilities and net position			-1,172,744

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 Financing¹ (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	2,648,735	2,255,743	1,574,964
PLUS/SLS loans:				
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	228,932	98,486	59,311
Miscellaneous costs:				
03.01	Scheduled payments to finance account for non-contractual 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		

39.00	Budget authority (gross)	3,361,030	2,943,678	2,171,820
Budget authority:				
60.05	Appropriation (indefinite)	1,950,463	1,344,545	595,248
60.49	Portion applied to liquidate contract authority	-506	-506	
62.00	Transferred from DoD pursuant to P.L. 102-27	506	506	
63.00	Appropriation (total)	1,950,463	1,344,545	595,248
68.00	Spending authority from offsetting collections	6,200,567	1,599,133	1,576,572
68.47	Portion applied to debt reduction	-4,790,000		
68.90	Spending authority from offsetting collections (total)	1,410,567	1,599,133	1,576,572
Relation of obligations to outlays:				
71.00	Total obligations	3,482,464	2,943,678	2,171,820
72.40	Obligated balance, start of year: Unpaid obligations:			
	Treasury balance	372,690	556,281	441,551
74.40	Obligated balance, end of year: Unpaid obligations:			
	Treasury balance	-556,281	-441,551	-325,772
78.00	Adjustments in unexpired accounts	-121,434		
87.00	Outlays (gross)	3,177,439	3,058,408	2,287,599
Adjustments to gross budget authority and outlays:				
Offsetting collections from:				
Stafford loans:				
Non-Federal sources:				
88.40	Federal collections on defaulted loans	-215,392	-373,000	-471,000
88.40	Federal collections on bankruptcies	-233	-88,884	-62,353
88.40	Offsets against Federal tax refunds	-580,530	-628,000	-585,001
Other collections:				
88.40	Reimbursements from guaranty agencies	-363,554	-264,071	-222,917
88.40	Advances repaid	-3		
88.40	Reinsurance fees	-41,743		
88.40	SLMA repayments to FFB	-4,790,000		
88.40	SLMA offset fee	-6,486	-26,450	-29,431
88.40	Federal collections on defaulted loans	-20,039	-84,000	-64,000
PLUS/SLS loans:				
88.40	Federal collections on bankruptcies	-11	-4,401	-3,087
88.40	Offsets against Federal tax refunds	-112,571	-83,000	-99,000
88.40	Reimbursements from guaranty agencies	-70,005	-47,327	-39,783
88.90	Total, offsetting collections	-6,200,567	-1,599,133	-1,576,572
89.00	Budget authority (net)	-2,839,537	1,344,545	595,248
90.00	Outlays (net)	-3,023,128	1,459,275	711,027

¹ Also includes obligations for consolidation of loan commitments made prior to 1992. Subsidy estimates in the Guaranteed student loans program account reflect preliminary estimates of additional costs of consolidation loans of loan commitments made on or after 1992.

Status of Guaranteed Loans (in thousands of dollars)

Identification code 91-0230-0-1-502	1994 actual	1995 est.	1996 est.	
STAFFORD LOANS				
Cumulative balance of guaranteed loans outstanding:				
2210	Outstanding, start of year	39,281,760	32,728,210	26,845,970
2231	Disbursements of new guaranteed loans	30,450	18,760	10,290
2251	Repayments and prepayments	-4,747,462	-4,601,856	-4,253,824
Adjustments:				
2261	Terminations for default that result in loans receivable ¹	-1,616,953	-1,149,023	-801,045
2263	Terminations for default that result in claim payments	-219,585	-150,121	-103,131
2290	Outstanding, end of year	32,728,210	26,845,970	21,698,260
Memorandum:				
2299	Guaranteed amount of guaranteed loans outstanding, end of year	32,728,210	26,845,970	21,698,260
Addendum:				
Cumulative balance of defaulted guaranteed loans that result in loans receivable:				
2310	Outstanding, start of year	11,024,974	10,995,468	10,228,233
2331	Disbursements for guaranteed loan claims	1,616,953	1,149,023	801,045
2351	Repayments of loans receivable ¹	-1,156,150	-1,350,835	-1,338,550
2361	Write-offs of loans receivable	-334,500	-452,250	-541,500
2364	Other adjustments, net	-155,809	-113,173	-95,536
2390	Outstanding, end of year	10,995,468	10,228,233	9,053,692
PLUS/SLS LOANS				
Cumulative balance of guaranteed loans outstanding:				
2210	Outstanding, start of year	4,684,000	3,646,000	2,727,000
2251	Repayments and prepayments	-787,522	-824,955	-827,478

Adjustments:				
2261	Terminations for default that result in loans receivable	-226,504	-77,774	-34,330
2263	Terminations for default that result in claim payments	-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	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
10.00	Total obligations	730	1,190
Financing:			
39.00	Budget authority	730	1,190
Budget authority:			
Appropriation:			
40.00	Appropriation (loan subsidy)	168	
40.00	Appropriation (Federal administration)	730	1,022
43.00	Appropriation (total)	730	1,190
Relation of obligations to outlays:			
71.00	Total obligations	730	1,190

Credit accounts—Continued

COLLEGE HOUSING AND ACADEMIC FACILITIES LOANS PROGRAM—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code 91-0241-0-1-502	1994 actual	1995 est.	1996 est.
72.40 Obligated balance, start of year: Unpaid obligations:			
Treasury balance	10,512	9,458	7,574
74.40 Obligated balance, end of year: Unpaid obligations:			
Treasury balance	-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)

	1994 actual	1995 est.	1996 est.
Enacted/requested:			
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 accounts—CHAFL (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 loan 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	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)

Identification 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)	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
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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
1251	Repayments: Repayments and prepayments	-11	-47
1290	Outstanding, end of year	573	2,741

No funds are requested for the CHAFL program.

Balance Sheet (in thousands of dollars)

Identification code 91-4252-0-3-502	1993 actual	1994 actual	1995 est.	1996 est.
ASSETS:				
1101	Federal assets: Fund balances with Treasury	48,953	45,340	50,738
	Net value of assets related to post-1991 direct loans receivable:			
1401	Direct loans receivable, gross		573	2,741
1499	Net present value of assets related to direct loans		573	2,741
1999	Total assets	48,953	45,913	53,479
LIABILITIES:				
Federal liabilities:				
2102	Interest payable: Federal agencies (debt to Treasury)		2	8
2104	Resources payable to Treasury		11	47
2999	Total liabilities		11	49
NET POSITION:				
3100	Appropriated capital	10,512	9,361	8,859
3999	Total net position	10,512	9,361	8,859
4999	Total liabilities and net position	10,512	9,372	8,908

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
Financing:			
17.00	Recovery of prior year obligations	-13,313	
21.40	Unobligated balance available, start of year: Treasury balance	-3,617	-1,802
24.40	Unobligated balance available, end of year: Treasury balance	1,802	2,399
31.00	Redemption of debt	5,713	3,996
32.47	Balance of authority to borrow withdrawn	8,729	
39.00	Budget authority (gross)	16,330	18,721
Budget authority:			
60.05	Appropriation (indefinite)	5,885	5,484
68.00	Spending authority from offsetting collections	10,445	13,237
Relation of obligations to outlays:			
71.00	Total obligations	17,016	14,128
72.40	Obligated balance, start of year: Unpaid obligations: Treasury balance	67,856	40,336

74.40	Obligated balance, end of year: Unpaid obligations: Treasury balance	-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
1231	Disbursements: Direct loan disbursements	19,095	2,017
1251	Repayments: Repayments and prepayments	-3,952	-7,388
1290	Outstanding, end of year	135,777	130,406

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
10.00	Total obligations	174	347
Financing:			
25.00	Unobligated balance expiring	26	
40.00	Budget authority (appropriation)	200	347
Relation of obligations to outlays:			
71.00	Total obligations	174	347
72.40	Obligated balance, start of year: Unpaid obligations: Treasury balance		45
74.40	Obligated balance, end of year: Unpaid obligations: Treasury balance	-45	-137
90.00	Outlays	129	255

Credit accounts—Continued

HISTORICALLY BLACK COLLEGE AND UNIVERSITY CAPITAL FINANCING, PROGRAM ACCOUNT—Continued

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

Identification code 91-1901-0-1-502	1994 actual	1995 est.	1996 est.
Guaranteed loan levels supportable by subsidy budget authority:			
2159 Total guarantee loan levels	357,000		

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	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	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:			
2111 Limitation on guaranteed loans made by private lenders	357,000	357,000	
2112 Uncommitted loan guarantee limitation	-357,000		
2150 Total guaranteed loan commitments		357,000	

Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year			170,000
2231 Disbursements of new guaranteed loans		170,000	187,000
2251 Repayments and prepayments			-5,694
2264 Adjustments: Other adjustments, net			-249
2290 Outstanding, end of year		170,000	351,057

Memorandum:

2299 Guaranteed amount of guaranteed loans outstanding, end of year		170,000	351,057
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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	-13,101	-11,146	-3,524
24.40 Unobligated balance available, end of year: Treasury balance	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	9,114	7,451	6,782
Relation of obligations to outlays:			
71.00 Total obligations	2,822	3,524	3,390
72.40 Obligated balance, start of year: Unpaid obligations: Treasury balance	1,054	114	816
74.40 Obligated balance, end of year: Unpaid obligations: Treasury balance	-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	-32,660	-30,613	-30,513
24.90 Unobligated balance available, end of year: Fund balance	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
68.90 Spending 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	-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)

Identification 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 loan 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 mathematics 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)

Identification 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	15,821		
00.06	National Board for Professional Teaching Standards Technology for Education:	4,792		
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		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	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	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:				
25.00	Unobligated balance expiring	92		
39.00	Budget authority (gross)	294,415	354,892	433,064
Budget authority:				
Current:				
40.00	Appropriation	292,592	354,892	433,064
Permanent:				
68.00	Spending authority from offsetting collections	1,823		
Relation of obligations to outlays:				
71.00	Total obligations	294,323	354,892	433,064
72.40	Obligated balance, start of year: Unpaid obligations:			
	Treasury balance	274,220	287,734	312,097
74.40	Obligated balance, end of year: Unpaid obligations:			
	Treasury balance	-287,734	-312,097	-404,311
77.00	Adjustments in expired accounts	-2,148		
87.00	Outlays (gross)	278,661	330,529	340,850
Adjustments to gross budget authority and outlays:				
88.00	Offsetting collections from: Federal sources	-1,823		
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]

	1994 actual	1995 est.	1996 est.
Enacted/requested:			
Budget Authority	292,592	354,892	433,064
Outlays	276,838	330,529	340,850
Rescission proposal:			
Budget Authority		-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 Job 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 mathematics.—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.—Funds 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.

Javits 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 consortia.—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
11.3	275	395	415	Other than full-time permanent
11.5	448	556	554	Other personnel compensation
	34	22	22	
11.9	757	973	991	Total personnel compensation
12.1	161	216	232	Civilian personnel benefits
13.0	28			Benefits for former personnel
21.0	367	216	177	Travel and transportation of persons
23.1	172	106	106	Rental payments to GSA
23.3				Communications, utilities, and miscellaneous charges
	52	71	71	
24.0	1,543	760	1,240	Printing and reproduction
25.1	7,432	6,221	6,705	Advisory and assistance services
25.2	63,105	77,788	94,183	Other services
25.3				Purchases of goods and services from Government accounts
	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	10	11	11

LIBRARIES

For carrying out, to the extent not otherwise provided, titles I, II, [III,] and IV[, 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 library]. (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	-14,908	-12,608	
24.40	Unobligated balance available, end of year: Treasury balance	12,608		
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	157,064	161,490	162,844
74.40	Obligated balance, end of year: Unpaid obligations: 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

(In thousands of dollars)				
	1994 actual	1995 est.	1996 est.	
Enacted/requested:				
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 National 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)

Identification 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	-655	-543	-494
24.40 Unobligated balance available, end of year: Treasury balance	543	494	494
25.00 Unobligated balance expiring	535		
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: Treasury balance	127,770	141,552	125,710
74.40 Obligated balance, end of year: Unpaid obligations: Treasury balance	-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; telecommunications; 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 loans 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	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	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		
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	14	15	15
Reimbursable:			
2001 Total compensable workyears: Full-time equivalent employment	3		

PROGRAM ADMINISTRATION
(Legislative proposal, not subject to PAYGO)

Program and Financing (in thousands of dollars)

Identification code 91-0800-2-1-503	1994 actual	1995 est.	1996 est.
Program by activities:			
10.00 Total obligations			-1,729
Financing:			
40.00 Budget authority (appropriation)			-1,729
Relation of obligations to outlays:			
71.00 Total obligations			-1,729
74.40 Obligated balance, end of year: Unpaid obligations:			
Treasury balance			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			-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			-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			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
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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			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)

Identification code 91-0700-0-1-751	1994 actual	1995 est.	1996 est.
Program by activities:			
00.01 Direct program: Civil Rights	56,454	58,325	62,784
10.00 Total obligations	56,454	58,325	62,784
Financing:			
25.00 Unobligated balance expiring	116		
40.00 Budget authority (appropriation)	56,570	58,325	62,784
Relation of obligations to outlays:			
71.00 Total obligations	56,454	58,325	62,784
72.40 Obligated balance, start of year: Unpaid obligations:			
Treasury balance	24,769	26,178	23,129
74.40 Obligated balance, end of year: Unpaid obligations:			
Treasury balance	-26,178	-23,129	-25,086
77.00 Adjustments in expired accounts	-166		
90.00 Outlays	54,879	61,374	60,827

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	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	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	.....	.....
39.00 Budget authority (gross)	28,922	30,523	34,066
Budget authority:			
Current:			
40.00 Appropriation	28,840	30,437	34,066
Permanent:			
68.00 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	.....	.....
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	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	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	.....
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	357	364	360
Reimbursable:			
2001 Total compensable workyears: Full-time equivalent employment	1	1	.....

Trust Funds

CONTRIBUTIONS

Program and Financing (in thousands of dollars)

Identification 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	-41	-86	.....
24.40 Unobligated balance available, end of year: Treasury balance	86	.....	.....
60.27 Budget authority (appropriation) (trust fund, indefinite)	66	52	.....
Relation of obligations to outlays:			
71.00 Total obligations	57	138	.....
72.40 Obligated balance, start of year: Unpaid obligations: Treasury balance	-10	-15	.....
74.40 Obligated balance, end of year: Unpaid obligations: Treasury balance	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 post-secondary review entity responsible for evaluating those institutions has received the Secretary's approval for its institutional review standards. (*Department of Education Appropriations Act, 1995.*)