

# DEPARTMENT OF EDUCATION

## OFFICE OF ELEMENTARY AND SECONDARY EDUCATION

### Federal Funds

#### ACCELERATING ACHIEVEMENT AND ENSURING EQUITY

##### Program and Financing (in millions of dollars)

Identification code 91-0900-0-1-501	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0001 Grants to local educational agencies .....	14,526	14,504	10,841
0002 School improvement grants .....	3,609	1,090	.....
0003 Striving readers .....	35	450	.....
0004 Even start .....	66	71	.....
0005 Literacy through school libraries .....	19	19	.....
0006 State agency programs .....	446	452	.....
0007 Evaluation .....	9	9	.....
0008 Special programs for migrant students .....	37	37	.....
0009 High school graduation initiative .....	50	50	.....
0900 Total new obligations .....	18,797	16,682	10,841
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	3,701	768	.....
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	5,073	5,073	.....
1130 Appropriations permanently reduced .....	-50	.....	.....
1160 Appropriation, discretionary (total) .....	5,023	5,073	.....
Advance appropriations, discretionary:			
1170 Advance appropriation .....	10,841	10,841	10,841
1900 Budget authority (total) .....	15,864	15,914	10,841
1930 Total budgetary resources available .....	19,565	16,682	10,841
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	768	.....	.....
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross) .....	17,405	16,599	9,557
3030 Obligations incurred, unexpired accounts .....	18,797	16,682	10,841
3040 Outlays (gross) .....	-19,535	-23,724	-16,264
3081 Recoveries of prior year unpaid obligations, expired .....	-68	.....	.....
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross) .....	16,599	9,557	4,134

#### Summary of Budget Authority and Outlays (in millions of dollars)

	2010 actual	CR	2012 est.
Enacted/requested:			
Budget Authority .....	15,864	15,914	10,841
Outlays .....	19,535	23,724	16,264
Legislative proposal, not subject to PAYGO:			
Budget Authority .....	.....	.....	4,571
Outlays .....	.....	.....	91
Total:			
Budget Authority .....	15,864	15,914	15,412
Outlays .....	19,535	23,724	16,355

#### SUMMARY OF PROGRAM LEVEL

(in millions of dollars)

	2010-11 Academic Year	2011-12 Academic Year	2012-13 Academic Year
New Budget Authority .....	\$5,023	\$5,073	\$4,571
Advance appropriation .....	10,841	10,841	11,682

Total program level .....	15,865	15,915	16,253
Change in advance appropriation from the previous year .....	0	0	+841 <sup>1</sup>

<sup>1</sup>To account for the Administration's ESEA reauthorization proposal, the 2012 Budget eliminates the \$1.7 billion advance appropriation that was previously in the Education Improvement Programs account and replaces it with corresponding increases to advance appropriations in the Accelerating Achievement and Ensuring Equity account (\$841 million) and the Special Education account (\$841 million). Total advance appropriations in the Department of Education remain \$21.9 billion.

The Administration is proposing legislation reauthorizing programs included in the Elementary and Secondary Education Act (ESEA), including programs in this account. Consistent with this reauthorization proposal, the Budget proposes to realign programs in ESEA accounts. When new authorizing legislation is enacted, resources will be requested for these programs. See the Legislative proposal, not subject to PAYGO schedule for additional details.

#### Object Classification (in millions of dollars)

Identification code 91-0900-0-1-501	2010 actual	CR	2012 est.
Direct obligations:			
25.1 Advisory and assistance services .....	9	1	1
25.2 Other services from non-federal sources .....	24	23	.....
41.0 Grants, subsidies, and contributions .....	18,764	16,658	10,840
99.9 Total new obligations .....	18,797	16,682	10,841

#### ACCELERATING ACHIEVEMENT AND ENSURING EQUITY

(Legislative proposal, not subject to PAYGO)

##### Program and Financing (in millions of dollars)

Identification code 91-0900-2-1-501	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0001 College- and career-ready students .....	.....	.....	3,111
0002 School turnaround grants .....	.....	.....	600
0003 Early learning challenge fund .....	.....	.....	350
0004 State agency programs .....	.....	.....	445
0005 Homeless children and youth education .....	.....	.....	65
0900 Total new obligations .....	.....	.....	4,571
<b>Budgetary Resources:</b>			
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	.....	.....	4,571
1900 Budget authority (total) .....	.....	.....	4,571
1930 Total budgetary resources available .....	.....	.....	4,571
<b>Change in obligated balance:</b>			
3030 Obligations incurred, unexpired accounts .....	.....	.....	4,571
3040 Outlays (gross) .....	.....	.....	-91
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross) .....	.....	.....	4,480

Identification code 91-0900-2-1-501	2010 actual	CR	2012 est.
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....	.....	.....	4,571
Outlays, gross:			
4010 Outlays from new discretionary authority .....	.....	.....	91
4180 Budget authority, net (total) .....	.....	.....	4,571
4190 Outlays, net (total) .....	.....	.....	91

The resources in this schedule are proposed for later transmittal under proposed legislation to reauthorize the Elementary and Secondary Education Act of 1965.

*College- and career-ready students (formerly Grants to local educational agencies).*—Funds would be allocated via formula for programs that provide academic support to help students in high-poverty schools meet college- and career-ready standards. States would annually assess all students in certain grades in at least English language arts and mathematics, and use the results of these assessments to measure local educational agency

**ACCELERATING ACHIEVEMENT AND ENSURING EQUITY—Continued**  
(LEA) and school progress in ensuring that all students are meeting, or on track to meet, college- and career-ready standards; to inform families about whether their children are meeting or on track to meet such standards; and, with additional information, to develop appropriate improvement and support strategies for schools and LEAs. States would develop systems for differentiating among schools and LEAs on the basis of performance, including recognition and rewards for highly effective schools and LEAs, the implementation of rigorous school intervention models in the lowest-achieving schools, and State-approved, research-based interventions in low-performing LEAs that are not serving their students or schools well. A new Title I Rewards authority would make available additional funding to States to provide financial and other rewards to high-performing LEAs and schools.

**School turnaround grants.**—Funds would primarily support grants to States to help LEAs turn around their lowest-achieving schools by implementing one of four rigorous school intervention models. In general, such schools would rank in the bottom 5 percent of performance in their States, based on proficiency rates and lack of progress, or, in the case of high schools, have a graduation rate below 60 percent. Once States have served their lowest-achieving schools, funds could be used for other school improvement and support efforts in eligible schools.

**Early learning challenge fund.**—Funds would support competitive grants to States to establish model systems of early learning for children from birth to kindergarten entry that promote high standards of quality and a focus on outcomes across settings to ensure that more children enter school ready to succeed.

**State agency migrant program.**—Funds would support formula grants to States for educational services to children of migratory farmworkers and fishers, with resources and services focused on children who have moved within the past 36 months.

**State agency neglected and delinquent children and youth education program.**—Funds support formula grants to States for educational services to neglected or delinquent children and youth in State-run institutions, attending community day programs, and in other correctional facilities.

**Homeless children and youth education.**—Funds would support formula grants to States to provide educational and support services that enable homeless children and youths to attend and achieve success in school.

**Object Classification** (in millions of dollars)

Identification code 91-0900-2-1-501	2010 actual	CR	2012 est.
<b>Direct obligations:</b>			
25.1 Advisory and assistance services .....			1
25.2 Other services from non-federal sources .....			16
41.0 Grants, subsidies, and contributions .....			4,554
99.9 Total new obligations .....			4,571

**IMPACT AID**

**Program and Financing** (in millions of dollars)

Identification code 91-0102-0-1-501	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0001 Basic support payments .....	1,138	1,138	
0002 Payments for children with disabilities .....	49	49	
0091 Subtotal .....	1,187	1,187	
0101 Facilities maintenance .....	5	5	2
0201 Construction .....	95	18	
0301 Payments for Federal property .....	67	67	

0900 Total new obligations (object class 41.0) .....	1,354	1,277	2
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	79	3	2
1021 Recoveries of prior year unpaid obligations .....	2		
1050 Unobligated balance (total) .....	81	3	2
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	1,276	1,276	
1930 Total budgetary resources available .....	1,357	1,279	2
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	3	2	
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross) .....	419	547	286
3030 Obligations incurred, unexpired accounts .....	1,354	1,277	2
3031 Obligations incurred, expired accounts .....	379		
3040 Outlays (gross) .....	-1,224	-1,538	-174
3080 Recoveries of prior year unpaid obligations, unexpired .....	-2		
3081 Recoveries of prior year unpaid obligations, expired .....	-379		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross) .....	547	286	114
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....	1,276	1,276	
Outlays, gross:			
4010 Outlays from new discretionary authority .....	1,139	1,145	
4011 Outlays from discretionary balances .....	85	393	174
4020 Outlays, gross (total) .....	1,224	1,538	174
4180 Budget authority, net (total) .....	1,276	1,276	
4190 Outlays, net (total) .....	1,224	1,538	174

**Summary of Budget Authority and Outlays** (in millions of dollars)

	2010 actual	CR	2012 est.
<b>Enacted/requested:</b>			
Budget Authority .....	1,276	1,276	
Outlays .....	1,224	1,538	174
<b>Legislative proposal, not subject to PAYGO:</b>			
Budget Authority .....			1,276
Outlays .....			1,130
<b>Total:</b>			
Budget Authority .....	1,276	1,276	1,276
Outlays .....	1,224	1,538	1,304

The Administration is proposing legislation reauthorizing Impact Aid programs included in the Elementary and Secondary Education Act. When new authorizing legislation is enacted, resources will be requested for these programs. See the "Legislative proposal, not subject to PAYGO" schedule for additional details.

**Employment Summary**

Identification code 91-0102-0-1-501	2010 actual	CR	2012 est.
1001 Direct civilian full-time equivalent employment .....	1		

**IMPACT AID**

(Legislative proposal, not subject to PAYGO)

**Program and Financing** (in millions of dollars)

Identification code 91-0102-2-1-501	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0001 Basic support payments .....			1,138
0002 Payments for children with disabilities .....			49
0091 Subtotal .....			1,187
0101 Facilities maintenance .....			5
0301 Payments for Federal property .....			67
0900 Total new obligations (object class 41.0) .....			1,259

<b>Budgetary Resources:</b>			
Budget authority:			
Appropriations, discretionary:			
1100	Appropriation .....		1,276
1930	Total budgetary resources available .....		1,276
Memorandum (non-add) entries:			
1941	Unexpired unobligated balance, end of year .....		17
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000	Unpaid obligations, brought forward, Oct 1 (gross) .....		
3030	Obligations incurred, unexpired accounts .....		1,259
3040	Outlays (gross) .....		-1,130
Obligated balance, end of year (net):			
3090	Unpaid obligations, end of year (gross) .....		129
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000	Budget authority, gross .....		1,276
Outlays, gross:			
4010	Outlays from new discretionary authority .....		1,130
4180	Budget authority, net (total) .....		1,276
4190	Outlays, net (total) .....		1,130

The resources in this schedule are proposed for later transmittal under proposed legislation to reauthorize the Elementary and Secondary Education Act of 1965.

Impact Aid helps to replace the lost local revenue that would otherwise be available to educate federally connected children. The presence of certain students living on Federal property, such as students who are military dependents or who reside on Indian lands, can place a financial burden on local educational agencies that educate them. The property on which the children live and their parents work is exempt from local property taxes, denying local educational agencies access to the primary source of revenue used by most communities to finance education.

**Basic support payments.**—Payments will be made on behalf of approximately 930,000 federally connected students enrolled in about 1,220 local educational agencies to assist them in meeting their operation and maintenance costs. Average per-student payments will be approximately \$1,200.

**Payments for children with disabilities.**—Payments in addition to those provided under the Individuals with Disabilities Education Act will be provided on behalf of approximately 54,000 federally connected students with disabilities in about 900 local educational agencies. Average per-student payments will be approximately \$900.

**Facilities maintenance.**—Funds will be used to provide emergency repairs for school facilities that serve military dependents and are owned by the Department of Education. Funds will also be used to transfer the facilities to local educational agencies.

**Construction.**—Approximately 15 construction grants will be awarded competitively to the highest-need impact aid districts for emergency repairs and modernization of school facilities.

**Payments for Federal property.**—Payments will be made to approximately 200 local educational agencies in which real property owned by the Federal Government represents 10 percent or more of the assessed value of real property in the local educational agency.

of the amount referred to in the previous proviso may be reserved by the Federated States of Micronesia and the Republic of the Marshall Islands to administer the Supplemental Education Grants programs and to obtain technical assistance, oversight and consultancy services in the administration of these grants and to reimburse the United States Departments of Labor, Health and Human Services, and Education for such services.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

**Program and Financing** (in millions of dollars)

Identification code 91-1000-0-1-501	2010 actual	CR	2012 est.	
<b>Obligations by program activity:</b>				
0001	Improving teacher quality State grants .....	2,955	2,977	1,681
0002	Mathematics and science partnerships .....	180	185	
0003	Educational technology State grants .....	114	102	
0004	21st century community learning centers .....	1,166	1,181	
0005	Javits gifted and talented education .....	7	7	
0006	Foreign language assistance .....	27	27	
0007	State assessments .....	411	424	
0008	Education for homeless children and youth .....	65	65	
0009	Education for Native Hawaiians .....	34	34	
0010	Alaska Native education equity .....	33	33	
0011	Training and advisory services .....	7	7	7
0012	Rural education .....	175	176	
0013	Supplemental education grants .....	18	18	18
0014	Comprehensive centers .....	56	56	56
0015	Safe and drug-free schools and communities national programs — Project SERV .....	2	2	
0900	Total new obligations .....	5,250	5,294	1,762

<b>Budgetary Resources:</b>				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1 .....	88	66	
Budget authority:				
Appropriations, discretionary:				
1100	Appropriation .....	3,547	3,547	81
Advance appropriations, discretionary:				
1170	Advance appropriation .....	1,681	1,681	1,681
1900	Budget authority (total) .....	5,228	5,228	1,762
1930	Total budgetary resources available .....	5,316	5,294	1,762
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year .....	66		

<b>Change in obligated balance:</b>				
Obligated balance, start of year (net):				
3000	Unpaid obligations, brought forward, Oct 1 (gross) .....	6,589	6,448	6,169
3030	Obligations incurred, unexpired accounts .....	5,250	5,294	1,762
3040	Outlays (gross) .....	-5,326	-5,573	-5,242
3081	Recoveries of prior year unpaid obligations, expired .....	-65		
Obligated balance, end of year (net):				
3090	Unpaid obligations, end of year (gross) .....	6,448	6,169	2,689

<b>Budget authority and outlays, net:</b>				
Discretionary:				
4000	Budget authority, gross .....	5,228	5,228	1,762
Outlays, gross:				
4010	Outlays from new discretionary authority .....	953	1,114	1,011
4011	Outlays from discretionary balances .....	4,373	4,459	4,231
4020	Outlays, gross (total) .....	5,326	5,573	5,242
4180	Budget authority, net (total) .....	5,228	5,228	1,762
4190	Outlays, net (total) .....	5,326	5,573	5,242

**Summary of Budget Authority and Outlays** (in millions of dollars)

	2010 actual	CR	2012 est.
Enacted/requested:			
Budget Authority .....	5,228	5,228	1,762
Outlays .....	5,326	5,573	5,242
Legislative proposal, not subject to PAYGO:			
Budget Authority .....			1,584
Outlays .....			32
<b>Total:</b>			
Budget Authority .....	5,228	5,228	3,346
Outlays .....	5,326	5,573	5,274

**EDUCATION IMPROVEMENT PROGRAMS**

For carrying out school improvement activities authorized by section 203 of the Educational Technical Assistance Act of 2002; the Compact of Free Association Amendments Act of 2003; and the Civil Rights Act of 1964, \$80,989,000, of which \$56,313,000 shall be available to carry out section 203 of the Educational Technical Assistance Act of 2002: Provided, That \$17,687,000 shall be available to carry out the Supplemental Education Grants program for the Federated States of Micronesia and the Republic of the Marshall Islands: Provided further, That up to 5 percent

EDUCATION IMPROVEMENT PROGRAMS—Continued  
SUMMARY OF PROGRAM LEVEL

(in millions of dollars)

	2010–11 Academic	2011–12 Academic	2012–13 Academic
New Budget Authority .....	3547	3547	1665
Advance Appropriation .....	1681	1681	0
Total program level .....	5228	5228	1665
Change in advance appropriation over previous year .....	0	0	-1681 <sup>1</sup>

<sup>1</sup>To account for the Administration's ESEA reauthorization proposal, the 2011 Budget eliminates the \$1.7 billion advance appropriation that was previously in the School Improvement Programs account (renamed the Education Improvement Programs account) and replaces it with corresponding increases to advance appropriations in the Education for the Disadvantaged account (\$841 million, renamed the Accelerating Achievement and Ensuring Equity account) and the Special Education account (\$841 million). Total advance appropriations in the Department of Education remain \$21.9 billion.

The Administration is proposing legislation reauthorizing the Elementary and Secondary Education Act (ESEA), including programs in this account. Consistent with this reauthorization proposal, the Budget proposes to realign programs in ESEA accounts. When new authorizing legislation is enacted, resources will be requested for these programs. See the Legislative proposal, not subject to PAYGO schedule for additional details.

**Training and advisory services.**—Funds support grants to regional equity assistance centers that provide technical assistance to school districts in addressing educational equity related to issues of race, gender, and national origin.

**Supplemental education grants.**—Funds support grants to the Federated States of Micronesia and to the Republic of the Marshall Islands in place of grant programs in which those Freely Associated States no longer participate pursuant to the Compact of Free Association Amendments Act of 2003.

**Comprehensive centers.**—Funds support at least 20 comprehensive centers that focus on building State capacity to help school districts and schools meet the requirements of the Elementary and Secondary Education Act.

Object Classification (in millions of dollars)

Identification code 91–1000–0–1–501	2010 actual	CR	2012 est.
Direct obligations:			
25.1 Advisory and assistance services .....	8	27	1
25.2 Other services from non-federal sources .....	25	5	
41.0 Grants, subsidies, and contributions .....	5,217	5,262	1,761
99.9 Total new obligations .....	5,250	5,294	1,762

EDUCATION IMPROVEMENT PROGRAMS  
(Legislative proposal, not subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 91–1000–2–1–501	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0001 Effective teaching and learning: Literacy .....			383
0002 Effective teaching and learning: Science, technology, engineering, and mathematics .....			206
0003 Effective teaching and learning for a well-rounded education .....			246
0004 College pathways and accelerated learning .....			86
0005 Assessing achievement .....			420
0006 Rural education .....			175
0007 Education for Native Hawaiians .....			34
0008 Alaska Native education equity .....			34
0900 Total new obligations .....			1,584

Budgetary Resources:

Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....			1,584
1930 Total budgetary resources available .....			1,584

<b>Change in obligated balance:</b>			
3030	Obligations incurred, unexpired accounts .....		1,584
3040	Outlays (gross) .....		-32
	Obligated balance, end of year (net):		
3090	Unpaid obligations, end of year (gross) .....		1,552

Budget authority and outlays, net:

Discretionary:			
4000	Budget authority, gross .....		1,584
	Outlays, gross:		
4010	Outlays from new discretionary authority .....		32
4180	Budget authority, net (total) .....		1,584
4190	Outlays, net (total) .....		32

The resources in this schedule are proposed for later transmittal under proposed legislation to reauthorize the Elementary and Secondary Education Act of 1965.

**Effective teaching and learning: literacy.**—Funds would support competitive grants to States to support the development and implementation of comprehensive State and local efforts to provide high-quality literacy programs, aligned with college- and career-ready English-language arts standards, for students from preschool through grade 12.

**Effective teaching and learning: science, technology, engineering, and mathematics (STEM).**—Funds would support competitive grants to States to implement comprehensive strategies to improve the teaching and learning of STEM subjects.

**Effective teaching and learning for a well-rounded education.**—Funds would support competitive grants to States and high-need school districts to develop and expand innovative practices to improve teaching and learning in the arts, health education, physical education, foreign languages, civics and government, history, geography, environmental education, economics, financial literacy, and other subjects.

**College pathways and accelerated learning.**—Funds would support competitive grants to high-need school districts for programs that prepare students to enter and succeed in college by providing college-level and other accelerated courses and instruction in middle and high schools as well as accelerated learning opportunities in elementary schools.

**Assessing achievement.**—Funds would support formula and competitive grants to States to develop and implement assessments that are aligned with college- and career-ready academic standards.

**Rural education.**—Funds would support formula grants under two programs: Small, Rural School Achievement and Rural and Low-Income Schools. The Small, Rural School Achievement program provides rural local educational agencies with small enrollments with additional formula funds. Funds under the Rural and Low-Income School program, which targets rural local educational agencies that serve concentrations of poor students, are allocated by formula to States, which in turn allocate funds to eligible local educational agencies.

**Native Hawaiian student education.**—Funds would support competitive grants to public and private entities to develop or operate innovative projects that enhance the educational services provided to Native Hawaiian children and adults.

**Alaska Native student education.**—Funds would support competitive grants to school districts and other public and private organizations to develop or operate innovative projects that enhance the educational services provided to Alaska Native children and adults.

Object Classification (in millions of dollars)

Identification code 91–1000–2–1–501	2010 actual	CR	2012 est.
Direct obligations:			
25.1 Advisory and assistance services .....			84

25.2	Other services from non-federal sources	2
41.0	Grants, subsidies, and contributions	1,498
99.9	Total new obligations	1,584

99.9	Total new obligations	127	127
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**INDIAN STUDENT EDUCATION**  
**Program and Financing** (in millions of dollars)

Identification code 91-0101-0-1-501	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0001	Grants to local educational agencies	104	104
0002	Special programs for Indian children	19	19
0003	National activities	4	4
0900	Total new obligations	127	127
<b>Budgetary Resources:</b>			
Budget authority:			
Appropriations, discretionary:			
1100	Appropriation	127	127
1930	Total budgetary resources available	127	127
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000	Unpaid obligations, brought forward, Oct 1 (gross)	129	132
3030	Obligations incurred, unexpired accounts	127	127
3040	Outlays (gross)	-119	-112
3081	Recoveries of prior year unpaid obligations, expired	-5	
Obligated balance, end of year (net):			
3090	Unpaid obligations, end of year (gross)	132	147
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000	Budget authority, gross	127	127
Outlays, gross:			
4010	Outlays from new discretionary authority	6	6
4011	Outlays from discretionary balances	113	106
4020	Outlays, gross (total)	119	112
4180	Budget authority, net (total)	127	127
4190	Outlays, net (total)	119	119

**Summary of Budget Authority and Outlays** (in millions of dollars)

	2010 actual	CR	2012 est.
Enacted/requested:			
Budget Authority	127	127	
Outlays	119	112	119
Legislative proposal, not subject to PAYGO:			
Budget Authority			127
Outlays			6
Total:			
Budget Authority	127	127	127
Outlays	119	112	125

The Administration is proposing legislation reauthorizing the Elementary and Secondary Education Act, including programs in this account. Consistent with this reauthorization proposal, the Budget proposes to realign programs in ESEA accounts. When new authorizing legislation is enacted, resources will be requested for these programs. See the "Legislative proposal, not subject to PAYGO" schedule for additional details.

**Object Classification** (in millions of dollars)

Identification code 91-0101-0-1-501	2010 actual	CR	2012 est.
Direct obligations:			
25.2	Other services from non-federal sources	4	4
41.0	Grants, subsidies, and contributions	123	123
99.0	Direct obligations	127	127

**INDIAN STUDENT EDUCATION**  
**(Legislative proposal, not subject to PAYGO)**

**Program and Financing** (in millions of dollars)

Identification code 91-0101-2-1-501	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0001	Grants to local educational agencies		104
0002	Special programs for Indian children		19
0003	National activities		4
0900	Total new obligations		127
<b>Budgetary Resources:</b>			
Budget authority:			
Appropriations, discretionary:			
1100	Appropriation		127
1930	Total budgetary resources available		127
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000	Unpaid obligations, brought forward, Oct 1 (gross)		
3030	Obligations incurred, unexpired accounts		127
3040	Outlays (gross)		-6
Obligated balance, end of year (net):			
3090	Unpaid obligations, end of year (gross)		121
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000	Budget authority, gross		127
Outlays, gross:			
4010	Outlays from new discretionary authority		6
4180	Budget authority, net (total)		127
4190	Outlays, net (total)		6

The resources in this schedule are proposed for later transmittal under proposed legislation to reauthorize the Elementary and Secondary Education Act of 1965.

The Indian Education programs support the efforts of local educational agencies and tribal schools to improve teaching and learning for the Nation's American Indian and Alaska Native children.

*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 assist participating students in meeting the same academic standards as all other students. In 2010, the Department made 1,268 formula grants to local educational agencies and tribal and Department of the Interior/Bureau of Indian Education schools serving nearly 474,000 Indian students.

*Special programs for Indian children.*—Funds support competitive awards for demonstration projects in early childhood education and college preparation, as well as professional development grants for training Native American teachers and administrators for employment in school districts with concentrations of Indian students.

*National activities.*—Funds support research, evaluation, data collection, and related activities.

**Object Classification** (in millions of dollars)

Identification code 91-0101-2-1-501	2010 actual	CR	2012 est.
Direct obligations:			
25.2	Other services from non-federal sources		4
41.0	Grants, subsidies, and contributions		123
99.0	Direct obligations		127

INDIAN STUDENT EDUCATION—Continued  
Object Classification—Continued

Identification code 91-0101-2-1-501	2010 actual	CR	2012 est.
99.9 Total new obligations			127

EDUCATION JOBS FUND

Program and Financing (in millions of dollars)

Identification code 91-0012-0-1-501	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0001 Education Jobs Fund	9,007	993	
0900 Total new obligations (object class 41.0)	9,007	993	
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1		993	
Budget authority:			
Appropriations, mandatory:			
1200 Appropriation	10,000		
1930 Total budgetary resources available	10,000	993	
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	993		
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)		7,775	4,871
3030 Obligations incurred, unexpired accounts	9,007	993	
3040 Outlays (gross)	-1,232	-3,897	-4,871
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	7,775	4,871	
<b>Budget authority and outlays, net:</b>			
Mandatory:			
4090 Budget authority, gross	10,000		
Outlays, gross:			
4100 Outlays from new mandatory authority	1,232		
4101 Outlays from mandatory balances		3,897	4,871
4110 Outlays, gross (total)	1,232	3,897	4,871
4180 Budget authority, net (total)	10,000		
4190 Outlays, net (total)	1,232	3,897	4,871

STATE FISCAL STABILIZATION FUND, RECOVERY ACT

Program and Financing (in millions of dollars)

Identification code 91-1909-0-1-999	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0001 State grants	13,159		
0002 Race-to-the-top incentive grants	4,351		
0003 Investing in innovation fund	649		
0004 Administration	11		
0900 Total new obligations	18,170		
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	18,170		
1930 Total budgetary resources available	18,170		
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year			
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	22,996	17,883	
3030 Obligations incurred, unexpired accounts	18,170		
3040 Outlays (gross)	-23,283	-17,883	
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	17,883		

Budget authority and outlays, net:

Discretionary:			
Outlays, gross:			
4011 Outlays from discretionary balances	23,283	17,883	
4180 Budget authority, net (total)			
4190 Outlays, net (total)	23,283	17,883	

Amounts in this schedule reflect balances that are spending out from a prior-year appropriation.

Object Classification (in millions of dollars)

Identification code 91-1909-0-1-999	2010 actual	CR	2012 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	3		
11.3 Other than full-time permanent	1		
11.9 Total personnel compensation	4		
12.1 Civilian personnel benefits	1		
25.1 Advisory and assistance services	57		
41.0 Grants, subsidies, and contributions	18,108		
99.0 Direct obligations	18,170		
99.9 Total new obligations	18,170		

Employment Summary

Identification code 91-1909-0-1-999	2010 actual	CR	2012 est.
1001 Direct civilian full-time equivalent employment	48		

OFFICE OF INNOVATION AND IMPROVEMENT

Federal Funds

INNOVATION AND INSTRUCTIONAL TEAMS

Program and Financing (in millions of dollars)

Identification code 91-0204-0-1-501	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0001 Teacher incentive fund	599	400	
0002 Troops-to-teachers	14	14	
0003 Transition to teaching	44	44	
0004 National writing project	26	26	
0005 Teaching American history	119	119	
0006 School leadership	29	29	
0007 Advanced credentialing	11	11	
0008 Charter schools grants	248	248	
0009 Credit enhancement for charter school facilities	8	8	
0010 Voluntary public school choice	26	26	
0011 Magnet schools assistance	100	100	
0012 Advanced placement	46	46	
0013 Close Up fellowships	2	2	
0014 Ready-to-learn-television	27	27	
0015 Academies for American history and civics	2	2	
0016 FIE programs of national significance	135	136	
0017 Reading is fundamental/Inexpensive book distribution	25	25	
0018 Exchanges with historic whaling and trading partners	9	9	
0019 Excellence in economic education	1	1	
0020 Mental health integration in schools	6	6	
0021 Foundations for learning	1	1	
0022 Arts in education	40	40	
0023 Parental information and resource centers	39	39	
0024 Womens educational equity	2	2	
0025 Teach for America	18	18	
0026 Promise neighborhoods		10	
0091 Direct program activities, subtotal	1,577	1,389	
0100 Total direct program	1,577	1,389	
0801 DC School Choice	11	14	
0900 Total new obligations	1,588	1,403	
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	199	1	

Budget authority:			
Appropriations, discretionary:			
1100	Appropriation .....	1,389	1,389
1130	Appropriations permanently reduced .....	-11	
1160	Appropriation, discretionary (total) .....	1,378	1,389
Spending authority from offsetting collections, discretionary:			
1700	Collected .....	13	13
1900	Budget authority (total) .....	1,391	1,402
1930	Total budgetary resources available .....	1,590	1,403
Memorandum (non-add) entries:			
1940	Unobligated balance expiring .....	-1	
1941	Unexpired unobligated balance, end of year .....	1	

<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000	Unpaid obligations, brought forward, Oct 1 (gross) .....	1,690	2,251
3030	Obligations incurred, unexpired accounts .....	1,588	1,403
3040	Outlays (gross) .....	-1,004	-1,393
3081	Recoveries of prior year unpaid obligations, expired .....	-23	
Obligated balance, end of year (net):			
3090	Unpaid obligations, end of year (gross) .....	2,251	2,261

<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000	Budget authority, gross .....	1,391	1,402
Outlays, gross:			
4010	Outlays from new discretionary authority .....	26	70
4011	Outlays from discretionary balances .....	978	1,323
4020	Outlays, gross (total) .....	1,004	1,393
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4033	Non-Federal sources .....	-13	-13
4070	Budget authority, net (discretionary) .....	1,378	1,389
4080	Outlays, net (discretionary) .....	991	1,380
4180	Budget authority, net (total) .....	1,378	1,389
4190	Outlays, net (total) .....	991	1,380

**Summary of Budget Authority and Outlays (in millions of dollars)**

	2010 actual	CR	2012 est.
<b>Enacted/requested:</b>			
Budget Authority .....	1,378	1,389	
Outlays .....	991	1,380	1,345
<b>Legislative proposal, not subject to PAYGO:</b>			
Budget Authority .....			4,995
Outlays .....			250
<b>Legislative proposal, subject to PAYGO:</b>			
Budget Authority .....			40
Outlays .....			2
<b>Total:</b>			
Budget Authority .....	1,378	1,389	5,035
Outlays .....	991	1,380	1,597

The Administration is proposing legislation reauthorizing the Elementary and Secondary Education Act, including the programs in this account. Consistent with this reauthorization proposal, the Budget proposes to realign programs in ESEA accounts. When new authorizing legislation is enacted, resources will be requested for these programs. See the "Legislative proposal, not subject to PAYGO" schedule for additional details.

**Object Classification (in millions of dollars)**

Identification code 91-0204-0-1-501	2010 actual	CR	2012 est.
<b>Direct obligations:</b>			
25.1	Advisory and assistance services .....	3	43
25.2	Other services from non-federal sources .....	61	3
25.3	Other goods and services from federal sources .....	4	
25.5	Research and development contracts .....	3	
41.0	Grants, subsidies, and contributions .....	1,506	1,343
99.0	Direct obligations .....	1,577	1,389
99.0	Reimbursable obligations .....	11	14
99.9	Total new obligations .....	1,588	1,403

**Employment Summary**

Identification code 91-0204-0-1-501	2010 actual	CR	2012 est.
1001	Direct civilian full-time equivalent employment .....	1	

**INNOVATION AND INSTRUCTIONAL TEAMS**  
(Legislative proposal, not subject to PAYGO)

**Program and Financing (in millions of dollars)**

Identification code 91-0204-2-1-501	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0001	Race to the top .....		900
0002	Investing in innovation .....		300
0003	Effective teachers and leaders State grants .....		2,500
0004	Teacher and leader innovation fund .....		500
0005	Teacher and leader pathways .....		250
0006	Expanding educational options .....		372
0007	Magnet schools assistance .....		110
0008	FIE Programs of national significance .....		63
0900	Total new obligations .....		4,995

<b>Budgetary Resources:</b>			
Budget authority:			
Appropriations, discretionary:			
1100	Appropriation .....		4,995
1930	Total budgetary resources available .....		4,995

<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000	Unpaid obligations, brought forward, Oct 1 (gross) .....		
3030	Obligations incurred, unexpired accounts .....		4,995
3040	Outlays (gross) .....		-250
Obligated balance, end of year (net):			
3090	Unpaid obligations, end of year (gross) .....		4,745

<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000	Budget authority, gross .....		4,995
Outlays, gross:			
4010	Outlays from new discretionary authority .....		250
4180	Budget authority, net (total) .....		4,995
4190	Outlays, net (total) .....		250

The resources in this schedule are proposed for later transmittal under proposed legislation to reauthorize the Elementary and Secondary Education Act of 1965.

**Race to the top.**—Funds would support grants to State educational agencies (SEAs) and local educational agencies (LEAs) to create incentives for State and local reforms and innovations designed to lead to significant improvements in student achievement, high school graduation rates, and college enrollment rates, and to significant reductions in achievement gaps; and encourage the broad identification, dissemination, adoption, and use of effective policies and practices and the cessation of ineffective ones. The new competition would place a particular focus on cost-effective reforms that improve student achievement in an era of tight budgets and allow school districts to compete directly for funds.

**Investing in innovation.**—Funds would support grants to LEAs or to nonprofit organizations in consortium with one or more schools or LEAs to develop and expand innovative strategies and practices that have been shown to be effective in improving educational outcomes for students. A portion of the funds would be used for technical assistance, dissemination, prize awards, social impact bonds, and other national activities.

**Effective teachers and leaders State grants.**—Funds would support formula grants to States and school districts to promote and enhance the teaching profession; recruit, prepare, develop, reward, and retain effective and highly effective teachers, principals, and other school leaders and foster excellent instructional

INNOVATION AND INSTRUCTIONAL TEAMS—Continued

teams, especially in high-need LEAs, schools, fields, and subjects; ensure the equitable distribution of effective and highly effective teachers and principals; increase the effectiveness of teachers and principals; improve the preparation of teachers and principals; strengthen teacher and principal evaluation systems; ensure that teachers have the knowledge, skills, data, support, and collaborative opportunities needed to be effective in the classroom; and improve the management of the education workforce in States and LEAs.

*Teacher and leader innovation fund.*—Funds would support competitive grants to States and LEAs willing to implement bold approaches to improving the effectiveness of the education workforce in high-need schools and districts by creating the conditions needed to identify, reward, retain, and advance effective teachers, principals, and school leadership teams in those schools, and enabling schools to build the strongest teams possible.

*Teacher and leader pathways.*—Funds would support competitive grants to States, LEAs, institutions of higher education, and nonprofit organizations to support (1) the creation and expansion of high-quality traditional and alternative pathways into the teaching profession, and (2) the recruitment, preparation, and retention of effective and highly effective principals and school leadership teams who are able to turn around low-performing schools.

*Expanding educational options.*—Funds would support competitive grants to SEAs, charter school authorizers, charter management organizations, LEAs, and other nonprofit organizations to start or expand high-performing charter and other autonomous schools in high-need areas. A portion of the funds would also support competitive grants to LEAs, and to SEAs in partnership with one or more high-need LEAs, to increase the range of high-quality educational options available to students and improve the academic achievement of students attending low-performing schools.

*Magnet schools assistance.*—Funds would support competitive grants to local educational agencies to establish and operate magnet school programs that are part of an approved desegregation plan.

*Fund for the improvement of education: programs of national significance.*—Funds would support nationally significant projects to improve the quality of elementary and secondary education, including a data quality initiative designed to improve the quality, analysis, and reporting of Department of Education elementary and secondary education performance data. Funds would also support the Advanced Research Projects Agency Education (ARPA-ED), an initiative designed to improve early childhood through postsecondary education by pursuing breakthrough developments in education technology, including learning systems and support systems for educators. Additional mandatory funds to support ARPA-ED would be provided from the Wireless Innovation (WIN) Fund.

Object Classification (in millions of dollars)

Identification code 91–0204–2–1–501	2010 actual	CR	2012 est.
Direct obligations:			
25.1 Advisory and assistance services .....			222
25.2 Other services from non-federal sources .....			14
25.5 Research and development contracts .....			50
41.0 Grants, subsidies, and contributions .....			4,709
99.0 Direct obligations .....			4,995

99.9 Total new obligations .....			4,995
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INNOVATION AND INSTRUCTIONAL TEAMS  
(Legislative proposal, subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 91–0204–4–1–501	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0001 FIE Programs of national significance .....			40
0100 Total direct program .....			40
0900 Total new obligations (object class 25.5) .....			40
<b>Budgetary Resources:</b>			
Budget authority:			
Appropriations, mandatory:			
1200 Appropriation .....			40
1930 Total budgetary resources available .....			40
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross) .....			
3030 Obligations incurred, unexpired accounts .....			40
3040 Outlays (gross) .....			–2
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross) .....			38
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....			
Mandatory:			
4090 Budget authority, gross .....			40
Outlays, gross:			
4100 Outlays from new mandatory authority .....			2
4180 Budget authority, net (total) .....			40
4190 Outlays, net (total) .....			2

*Advanced Research Projects Agency Education (ARPA-ED).*—Funds would support a new initiative modeled after similar research programs in the Department of Defense and Department of Energy and charged with the improvement of early childhood through postsecondary education. ARPA-ED would pursue breakthrough developments in education technology, including learning systems and support systems for educators. The Wireless Innovation (WIN) Fund would provide mandatory funds from the sale of spectrum bands by the Federal Communications Commission and additional discretionary funds are being requested under the Fund for the Improvement of Education.

OFFICE OF SAFE AND DRUG-FREE SCHOOLS

Federal Funds

SUPPORTING STUDENT SUCCESS

Program and Financing (in millions of dollars)

Identification code 91–0203–0–1–501	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0001 State grants .....	4		
0002 National activities .....	191	197	
0003 Alcohol abuse reduction .....	33	33	
0091 Subtotal, Safe and drug-free schools and communities .....	228	230	
0101 Elementary and secondary school counseling .....	55	55	
0201 Physical education program .....	79	79	
0301 Civic education .....	35	35	
0500 Total direct program .....	397	399	
0799 Total direct obligations .....	397	399	
0803 Reimbursable program activity .....	73	73	
0900 Total new obligations .....	470	472	



<b>Budgetary Resources:</b>			
Unobligated balance:			
1000	Unobligated balance brought forward, Oct 1 .....	10	6 .....
Budget authority:			
Appropriations, discretionary:			
1100	Appropriation .....	393	393 .....
Spending authority from offsetting collections, discretionary:			
1700	Collected .....	73	73 .....
1900	Budget authority (total) .....	466	466 .....
1930	Total budgetary resources available .....	476	472 .....
Memorandum (non-add) entries:			
1941	Unexpired unobligated balance, end of year .....	6	.....

<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000	Unpaid obligations, brought forward, Oct 1 (gross) .....	1,101	835 723
3030	Obligations incurred, unexpired accounts .....	470	472 .....
3040	Outlays (gross) .....	-724	-584 -487
3081	Recoveries of prior year unpaid obligations, expired .....	-12	.....
Obligated balance, end of year (net):			
3090	Unpaid obligations, end of year (gross) .....	835	723 236

<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000	Budget authority, gross .....	466	466 .....
Outlays, gross:			
4010	Outlays from new discretionary authority .....	13	9 .....
4011	Outlays from discretionary balances .....	711	575 487
4020	Outlays, gross (total) .....	724	584 487
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4030	Federal sources .....	-73	-73 .....
4070	Budget authority, net (discretionary) .....	393	393 .....
4080	Outlays, net (discretionary) .....	651	511 487
4180	Budget authority, net (total) .....	393	393 .....
4190	Outlays, net (total) .....	651	511 487

**Summary of Budget Authority and Outlays** (in millions of dollars)

	2010 actual	CR	2012 est.
Enacted/requested:			
Budget Authority .....	393	393	.....
Outlays .....	651	511	487
Legislative proposal, not subject to PAYGO:			
Budget Authority .....	.....	.....	1,781
Outlays .....	.....	.....	36
<b>Total:</b>			
Budget Authority .....	393	393	1,781
Outlays .....	651	511	523

The Administration is proposing legislation reauthorizing the Elementary and Secondary Education Act, including programs in this account. Consistent with this reauthorization proposal, the Budget proposes to realign programs in ESEA accounts. When new authorizing legislation is enacted, resources will be requested for these programs. See the "Legislative proposal, not subject to PAYGO" schedule for additional details.

**Object Classification** (in millions of dollars)

Identification code 91-0203-0-1-501	2010 actual	CR	2012 est.
Direct obligations:			
25.1	Advisory and assistance services .....	2	3 .....
25.2	Other services from non-federal sources .....	10	15 .....
25.3	Other goods and services from federal sources .....	3	4 .....
41.0	Grants, subsidies, and contributions .....	382	377 .....
99.0	Direct obligations .....	397	399 .....
99.0	Reimbursable obligations .....	73	73 .....

99.9	Total new obligations .....	470	472 .....
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**SUPPORTING STUDENT SUCCESS**  
(Legislative proposal, not subject to PAYGO)

**Program and Financing** (in millions of dollars)

Identification code 91-0203-2-1-501	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0001	Promise neighborhoods .....	.....	150
0002	Successful, safe, and healthy students .....	.....	365
0003	21st century community learning centers .....	.....	1,266
0500	Total direct program .....	.....	1,781
0900	Total new obligations .....	.....	1,781

<b>Budgetary Resources:</b>			
Budget authority:			
Appropriations, discretionary:			
1100	Appropriation .....	.....	1,781
1930	Total budgetary resources available .....	.....	1,781

<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000	Unpaid obligations, brought forward, Oct 1 (gross) .....	.....	.....
3030	Obligations incurred, unexpired accounts .....	.....	1,781
3040	Outlays (gross) .....	.....	-36
Obligated balance, end of year (net):			
3090	Unpaid obligations, end of year (gross) .....	.....	1,745

<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000	Budget authority, gross .....	.....	1,781
Outlays, gross:			
4010	Outlays from new discretionary authority .....	.....	36
4180	Budget authority, net (total) .....	.....	1,781
4190	Outlays, net (total) .....	.....	36

The resources in this schedule are proposed for later transmittal under proposed legislation to reauthorize the Elementary and Secondary Education Act of 1965.

**Promise neighborhoods.**—Funds would support competitive grants and other activities for projects designed to improve significantly the educational and developmental outcomes of children within the Nation's most distressed communities, with the goal of transforming those communities so that all children in the community have access to a cradle-through-college-to-career continuum of academic programs and community supports, including effective schools and services.

**Successful, safe, and healthy students.**—Funds would support competitive grants and other activities to assist States, local educational agencies (LEAs), and partnerships between LEAs and non-profit organizations or local government entities in improving school climate; reducing or preventing drug use, violence, bullying, or harassment; and promoting and supporting the physical and mental well-being of students so that schools are safe, healthy, and drug-free environments.

**21st century community learning centers.**—Funds would support competitive grants and other activities to assist States, LEAs, non-profit organizations or local governmental entities in operating 21st Century Community Learning Centers. All local centers would provide additional time for students to participate in (1) academic activities that are aligned with the instruction those students receive during the regular school day and are targeted to their academic needs; and (2) enrichment and other activities that complement the academic program. Projects could also provide teachers the time they need to collaborate, plan, and engage in professional development within and across grades and subjects.

SUPPORTING STUDENT SUCCESS—Continued

Object Classification (in millions of dollars)

Identification code 91-0203-2-1-501	2010 actual	CR	2012 est.
<b>Direct obligations:</b>			
25.2 Other services from non-federal sources .....			42
41.0 Grants, subsidies, and contributions .....			1,739
99.0 Direct obligations .....			1,781
99.9 Total new obligations .....			1,781

OFFICE OF ENGLISH LANGUAGE ACQUISITION

Federal Funds

ENGLISH LEARNER EDUCATION

Program and Financing (in millions of dollars)

Identification code 91-1300-0-1-501	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0001 English language acquisition grants .....	743	761	13
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	17	24	13
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	750	750	
1930 Total budgetary resources available .....	767	774	13
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	24	13	
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross) .....	1,021	1,074	1,031
3030 Obligations incurred, unexpired accounts .....	743	761	13
3031 Obligations incurred, expired accounts .....	1		
3040 Outlays (gross) .....	-687	-804	-744
3081 Recoveries of prior year unpaid obligations, expired .....	-4		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross) .....	1,074	1,031	300
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....	750	750	
Outlays, gross:			
4010 Outlays from new discretionary authority .....	5	8	
4011 Outlays from discretionary balances .....	682	796	744
4020 Outlays, gross (total) .....	687	804	744
4180 Budget authority, net (total) .....	750	750	
4190 Outlays, net (total) .....	687	804	744

Summary of Budget Authority and Outlays (in millions of dollars)

	2010 actual	CR	2012 est.
<b>Enacted/requested:</b>			
Budget Authority .....	750	750	
Outlays .....	687	804	744
<b>Legislative proposal, not subject to PAYGO:</b>			
Budget Authority .....			750
Outlays .....			8
<b>Total:</b>			
Budget Authority .....	750	750	750
Outlays .....	687	804	752

The Administration is proposing legislation reauthorizing the Elementary and Secondary Education Act, including programs in this account. Consistent with this reauthorization proposal, the Budget proposes to realign programs in ESEA accounts. When new authorizing legislation is enacted, resources will be requested for these programs. See the "Legislative proposal, not subject to PAYGO" schedule for additional details.

Object Classification (in millions of dollars)

Identification code 91-1300-0-1-501	2010 actual	CR	2012 est.
<b>Direct obligations:</b>			
25.1 Advisory and assistance services .....	2	5	4
25.2 Other services from non-federal sources .....	1		
25.5 Research and development contracts .....	2	2	
41.0 Grants, subsidies, and contributions .....	738	754	9
99.9 Total new obligations .....	743	761	13

ENGLISH LEARNER EDUCATION

(Legislative proposal, not subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 91-1300-2-1-501	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0001 English language acquisition grants .....			658
<b>Budgetary Resources:</b>			
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....			750
1900 Budget authority (total) .....			750
1930 Total budgetary resources available .....			750
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....			92
<b>Change in obligated balance:</b>			
3030 Obligations incurred, unexpired accounts .....			658
3040 Outlays (gross) .....			-8
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross) .....			650
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....			750
Outlays, gross:			
4010 Outlays from new discretionary authority .....			8
4180 Budget authority, net (total) .....			750
4190 Outlays, net (total) .....			8

The resources in this schedule are proposed for later transmittal under proposed legislation to reauthorize the Elementary and Secondary Education Act of 1965.

*Language acquisition State grants.*—This program provides formula grants to States to improve services for English Learners. States are accountable for demonstrating that English Learners are making progress toward proficiency in English and meeting the same high State academic standards as all other students. The statute also authorizes national activities, including professional development, evaluation, a national information clearinghouse on English language acquisition, and, under the proposed reauthorization, technical assistance to grantees and funding for demonstration projects to replicate proven practices.

Object Classification (in millions of dollars)

Identification code 91-1300-2-1-501	2010 actual	CR	2012 est.
<b>Direct obligations:</b>			
25.1 Advisory and assistance services .....			4
25.5 Research and development contracts .....			1
41.0 Grants, subsidies, and contributions .....			653
99.9 Total new obligations .....			658

**OFFICE OF SPECIAL EDUCATION AND REHABILITATIVE SERVICES**

**Federal Funds**

**SPECIAL EDUCATION**

For carrying out the Individuals with Disabilities Education Act ("IDEA") and the Special Olympics Sport and Empowerment Act of 2004, \$12,856,351,000, of which \$2,272,108,000 shall become available on July 1, 2012, and shall remain available through September 30, 2013, and of which \$9,433,103,000 shall become available on October 1, 2012, and shall remain available through September 30, 2013, for academic year 2012–2013: Provided, That the amount for section 611(b)(2) of the IDEA shall be equal to the lesser of the amount available for that activity during fiscal year 2011, increased by the amount of inflation as specified in section 619(d)(2)(B) of the IDEA, or the percent change in the funds appropriated under section 611(i) of the IDEA, but not less than the amount for that activity during fiscal year 2011: Provided further, That funds made available for the Special Olympics Sport and Empowerment Act of 2004 may be used to support expenses associated with the Special Olympics National and World games: Provided further, That \$30,000,000 shall be for activities aimed at improving the outcomes of children receiving Supplemental Security Income (SSI) and their families, of which at least \$24,000,000 shall be for competitive grants to States to improve the provision and coordination of services for SSI child recipients in order to achieve improved health status, including both physical and emotional health, and education and post-school outcomes, including completion of postsecondary education and employment, and to improve services and supports to the families or households of the SSI child recipient, such as education and job training for the parents: Provided further, That States may award subgrants for a portion of the funds to other public and private, non-profit entities: Provided further, That not to exceed \$6,000,000 of amounts provided in the third proviso may be used for performance-based awards for Pay for Success projects: Provided further, That, with respect to the previous proviso, any funds obligated for such projects shall remain available for disbursement until expended, notwithstanding 31 U.S.C. 1552(a): Provided further, That, with respect to the fifth proviso, any deobligated funds from such projects shall immediately be available for section 611 of the IDEA.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111–242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

**Program and Financing** (in millions of dollars)

Identification code 91–0300–0–1–501	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0001 Grants to States .....	11,506	11,518	10,864
0002 Preschool grants .....	374	374	374
0003 Grants for infants and families .....	439	439	489
0091 Subtotal, State grants .....	12,319	12,331	11,727
0101 State personnel development .....	48	48	48
0102 Technical assistance and dissemination .....	50	50	50
0103 Personnel preparation .....	91	91	91
0104 Parent information centers .....	28	28	28
0105 Technology and media services .....	44	44	33
0191 Subtotal, National activities .....	261	261	250
0200 Total Direct Program .....	12,580	12,592	11,977
0201 Special Olympics education programs .....	8	8	8
0203 PROMISE: Promoting Readiness of Minors in SSI .....			30
0291 Direct program activities, subtotal .....	8	8	38
0900 Total new obligations .....	12,588	12,600	12,015
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	14	13	
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	3,995	3,995	3,423
Advance appropriations, discretionary:			
1170 Advance appropriation (Advance appropriated in previous year) .....	8,592	8,592	8,592
1900 Budget authority (total) .....	12,587	12,587	12,015

1930 Total budgetary resources available .....	12,601	12,600	12,015
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	13		
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross) .....	17,890	13,170	8,143
3030 Obligations incurred, unexpired accounts .....	12,588	12,600	12,015
3040 Outlays (gross) .....	-17,296	-17,627	-14,100
3081 Recoveries of prior year unpaid obligations, expired .....	-12		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross) .....	13,170	8,143	6,058
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....	12,587	12,587	12,015
Outlays, gross:			
4010 Outlays from new discretionary authority .....	6,229	7,080	7,087
4011 Outlays from discretionary balances .....	11,067	10,547	7,013
4020 Outlays, gross (total) .....	17,296	17,627	14,100
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4033 Non-Federal sources .....	-2		
Additional offsets against gross budget authority only:			
4052 Offsetting collections credited to expired accounts .....	2		
4070 Budget authority, net (discretionary) .....	12,587	12,587	12,015
4080 Outlays, net (discretionary) .....	17,294	17,627	14,100
4180 Budget authority, net (total) .....	12,587	12,587	12,015
4190 Outlays, net (total) .....	17,294	17,627	14,100

**Summary of Budget Authority and Outlays** (in millions of dollars)

	2010 actual	CR	2012 est.
Enacted/requested:			
Budget Authority .....	12,587	12,587	12,015
Outlays .....	17,294	17,627	14,100
Legislative proposal, not subject to PAYGO:			
Budget Authority .....			5
Outlays .....			
Total:			
Budget Authority .....	12,587	12,587	12,020
Outlays .....	17,294	17,627	14,100

**SUMMARY OF GRANTS TO STATES PROGRAM LEVEL**

(in millions of dollars)

	2010–2011 Academic Year	2011–2012 Academic Year	2012–2013 Academic Year
Current Budget Authority .....	\$2,913	\$2,913	\$2,272
Advance appropriation .....	8,592	8,592	9,433
Total program level .....	11,505	11,505	11,705
Change in advance appropriation from the previous year .....	0	0	841 <sup>1</sup>

<sup>1</sup>To account for the Administration's ESEA reauthorization proposal, the 2011 Budget eliminates the \$1.7 billion advance appropriation that was previously in the School Improvement Programs account (renamed the Education Improvement Programs account) and replaces it with corresponding increases to advance appropriations in the Education for the Disadvantaged (\$841 million, renamed the Accelerating Achievement and Ensuring Equity account) and Special Education (\$841 million) accounts. Total advance appropriations in the Department of Education remain the same at \$21.9 billion.

**State Grants:**

**Grants to States.**—Formula grants are provided to States to assist them in providing special education and related services to children with disabilities ages 3 through 21.

**Preschool grants.**—Formula grants provide additional funds to States to further assist them in providing special education and related services to children with disabilities ages three through five served under the Grants to States program.

The goal of both of these programs is to improve results for children with disabilities by assisting State and local educational agencies to provide children with disabilities with access to high quality education that will help them meet challenging standards and prepare them for employment and independent living.

**Grants for infants and families.**—Formula grants are provided to assist States to implement statewide systems of coordinated,

SPECIAL EDUCATION—Continued

comprehensive, multi-disciplinary interagency programs to provide early intervention services to children with disabilities, birth through age two, and their families.

The goal of this program is to help States provide a comprehensive system of early intervention services that will enhance child and family outcomes.

*National activities.*—These activities include personnel preparation, technical assistance, and other activities to support State efforts to improve results for children with disabilities under the State Grants programs.

The goal of National Activities is to link States, school systems, and families to best practices to improve results for infants, toddlers, and children with disabilities.

*Special Olympics education programs.*—This program funds activities that promote the expansion of the Special Olympics and the design and implementation of Special Olympics education programs. The goal of these activities is to support and expand activities related to the Special Olympics.

*PROMISE: Promoting Readiness of Minors in SSI.*—This program would fund demonstration programs in select States to improve the provision and coordination of existing services for which children receiving Supplemental Security Income and their families are already eligible. The goal of this program is to improve outcomes for SSI child recipients and their families. A portion of these funds may be used for Pay for Success bonds to engage social investors, the Federal government, and a State or local community to collaboratively finance effective interventions.

Performance data related to program goals include:

	2005–2006 actual	2006–2007 actual	2007–2008 actual
Status of Exiting Students			
Percent / number of students with disabilities aged 14–21 exiting special education:			
Graduated with a diploma .....	33.0% / 224,343	32.8% / 221,055	34.4% / 217,905
Graduated through certification .....	9.0% / 60,864	9.6% / 64,887	8.4% / 53,260
Transferred to regular education .....	10.5% / 71,397	9.9% / 66,788	8.2% / 51,786
Dropped out of school/not known to continue .....	15.3% / 104,101	14.9% / 100,804	14.3% / 90,766
Moved, but known to have continued in education .....	31.1% / 210,984	31.6% / 213,435	33.5% / 212,337
Reached maximum age for services/other .....	1.1% / 7,549	1.1% / 7,696	1.1% / 7,187
Total .....	100% / 679,238	100% / 674,665	100% / 633,241

Note—Percentages may not add to 100% due to rounding.

Note—Previous versions of this table did not contain the categories "Transferred to regular education" and "Moved, but known to have continued in education." The Department of Education recently revised its data collection forms to include these additional items, which track additional students with disabilities ages 14 and older who leave special education, and are mutually exclusive with other categories included in this table. Because this is the case, the percentages reported in this table are not comparable with percentages reported in the same table in previous years.

Object Classification (in millions of dollars)

Identification code 91–0300–0–1–501	2010 actual	CR	2012 est.
Direct obligations:			
25.2 Other services from non-federal sources .....	5	5	5
41.0 Grants, subsidies, and contributions .....	12,583	12,595	12,010

99.9	Total new obligations .....	12,588	12,600	12,015
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SPECIAL EDUCATION

(Legislative proposal, not subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 91–0300–2–1–501	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0202 Mentoring for individuals with intellectual disabilities .....			5
0900 Total new obligations (object class 41.0) .....			5
<b>Budgetary Resources:</b>			
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....			5
1930 Total budgetary resources available .....			5
<b>Change in obligated balance:</b>			
3030 Obligations incurred, unexpired accounts .....			5
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross) .....			5
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....			5
4180 Budget authority, net (total) .....			5
4190 Outlays, net (total) .....			

The resources in this schedule are proposed for later transmittal pending passage of proposed legislation.

The proposed Mentoring for Individuals with Intellectual Disabilities program would provide competitive grants to projects that support activities to increase the participation of people with intellectual disabilities in social relationships and other aspects of community life, including education and employment, within the United States.

REHABILITATION SERVICES AND DISABILITY RESEARCH

*For carrying out, to the extent not otherwise provided, the Rehabilitation Act of 1973, the Assistive Technology Act of 1998, and the Helen Keller National Center Act, \$3,541,111,000, of which \$30,000,000, to remain available until September 30, 2013, shall be available to the Secretary for the Workforce Innovation Fund, as established by this Act: Provided, That the Secretary of Education may allocate to States, in accordance with a formula determined by the Secretary, up to \$56,282,000 of the funds provided for the Vocational Rehabilitation State Grants program: Provided further, That section 302(g)(3) of the Rehabilitation Act shall not apply to funds provided under section 302 of such Act: Provided further, That of the amount provided for Grants for Independent Living under Part B of Title VII of the Rehabilitation Act, the Secretary of Education shall reserve no more than 1.55 percent for training and technical assistance activities: Provided further, That of the amount provided for Grants for Independent Living under part B of title VII of the Rehabilitation Act, no State or Outlying Area shall receive less than the combined amount it received under parts B and C of title VII of such Act for fiscal year 2011, provided that the State or Outlying Area matches, in cash or in kind, the equivalent of one dollar for each nine dollars in Federal funds it received for fiscal year 2011 under part B of title VII of such Act: Provided further, That each State or Outlying Area shall reserve the lesser of \$300,000 or 5 percent of its allocation for Grants for Independent Living to support the operation of a Statewide Independent Living Council, as authorized under section 705 of the Rehabilitation Act: Provided further, That each State or Outlying Area shall award no less than 90 percent of its allocation to centers for independent living that meet the standards and assurances in section 725 of the Rehabilitation Act: Provided further, That such allocation of funds among centers for independent living shall be based on an approved State Plan for Independent Living that is developed in accordance with section 704 of the Rehabilitation Act.*

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111–242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

**Program and Financing** (in millions of dollars)

Identification code 91–0301–0–1–506	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0001 Vocational rehabilitation State grants .....	3,090	3,086	3,142
0002 Client assistance State grants .....	12	12	12
0003 Supported employment State grants .....	29	29	.....
0004 Migrant and seasonal farmworkers .....	2	2	.....
0005 Projects with industry .....	19	19	.....
0006 Training .....	38	38	.....
0007 National activities to improve rehabilitation services .....	.....	.....	33
0008 Demonstration and training programs .....	12	12	8
0009 Program improvement .....	1	1	.....
0010 Evaluation .....	1	1	.....
0011 Independent living .....	226	138	138
0012 Protection and advocacy of individual rights .....	18	18	18
0013 Recreational programs .....	2	2	.....
0014 National Institute on Disability and Rehabilitation Research .....	109	109	110
0015 Workforce innovation fund .....	.....	.....	30
0016 Helen Keller National Center .....	9	9	9
0017 Assistive technology .....	31	31	31
0018 Access through cloud computing .....	.....	.....	10
0091 Direct program activities, subtotal .....	3,599	3,507	3,541
0100 Total direct program .....	3,599	3,507	3,541
0801 Reimbursable program .....	2	2	2
0900 Total new obligations .....	3,601	3,509	3,543
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	89	.....	.....
1021 Recoveries of prior year unpaid obligations .....	4	.....	.....
1050 Unobligated balance (total) .....	93	.....	.....
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	422	422	456
1130 Appropriations permanently reduced .....	.....	.....	-37
1160 Appropriation, discretionary (total) .....	422	422	419
Appropriations, mandatory:			
1200 Appropriation .....	3,085	3,085	3,122
Spending authority from offsetting collections, discretionary:			
1700 Collected .....	1	2	2
1900 Budget authority (total) .....	3,508	3,509	3,543
1930 Total budgetary resources available .....	3,601	3,509	3,543
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	.....	.....	.....
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross) .....	2,241	2,495	1,652
3010 Uncollected pymts, Fed sources, brought forward, Oct 1 .....	-1	.....	.....
3020 Obligated balance, start of year (net) .....	2,240	2,495	1,652
3030 Obligations incurred, unexpired accounts .....	3,601	3,509	3,543
3031 Obligations incurred, expired accounts .....	3	.....	.....
3040 Outlays (gross) .....	-3,335	-4,352	-3,672
3051 Change in uncollected pymts, Fed sources, expired .....	1	.....	.....
3080 Recoveries of prior year unpaid obligations, unexpired .....	-4	.....	.....
3081 Recoveries of prior year unpaid obligations, expired .....	-11	.....	.....
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross) .....	2,495	1,652	1,523
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....	423	424	421
Outlays, gross:			
4010 Outlays from new discretionary authority .....	81	267	265
4011 Outlays from discretionary balances .....	568	769	239
4020 Outlays, gross (total) .....	649	1,036	504
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4030 Federal sources .....	-1	-2	-2
4070 Budget authority, net (discretionary) .....	422	422	419
4080 Outlays, net (discretionary) .....	648	1,034	502
Mandatory:			
4090 Budget authority, gross .....	3,085	3,085	3,122

Outlays, gross:				
4100	Outlays from new mandatory authority .....	1,575	1,943	1,967
4101	Outlays from mandatory balances .....	1,111	1,373	1,201
4110	Outlays, gross (total) .....	2,686	3,316	3,168
4180	Budget authority, net (total) .....	3,507	3,507	3,541
4190	Outlays, net (total) .....	3,334	4,350	3,670

**Vocational Rehabilitation State grants.**—The basic State grants program provides Federal matching funds to State vocational rehabilitation (VR) agencies to assist individuals with physical or mental impairments to become gainfully employed. Services are tailored to the specific needs of the individual. Priority is given to serving those with the most significant disabilities. Current law requires that between 1.0 percent and 1.5 percent of the funds appropriated for the VR State grants program be set aside for Grants for Indians.

The program performance measures for this program are based on State VR agency performance indicators developed pursuant to Section 106 of the Rehabilitation Act. One of these indicators measures the percentage of general and combined State VR agencies that assist at least 55.8 percent of individuals receiving services to achieve an employment outcome. In 2009, 61 percent of the agencies met this performance criterion. Another indicator measures the percentage of general and combined State VR agencies that assist at least 85 percent of individuals with employment outcomes to achieve competitive employment. In 2009, 93 percent of general and combined agencies met this performance criterion. These outcome data are based on the approximately 322,960 individuals whose service records were closed in 2009 after receiving services.

The request for the VR State Grants program reflects the Administration's proposal to consolidate the funds of the smaller VR-related programs and eliminate their separate funding authorities under the Rehabilitation Act in order to reduce duplication of effort and administrative costs, streamline program administration at the Federal and local level, and improve accountability. A total of \$56.282 million would be made available to the VR State Grants program from the consolidation of employment-related programs.

**Client assistance State grants.**—Formula grants are made to States to provide assistance in informing and advising clients and applicants about benefits available under the Rehabilitation Act and, if requested, to pursue legal or administrative remedies to ensure the protection of the rights of individuals with disabilities.

**Training.**—Grants are made to States and public or nonprofit agencies and organizations, including institutions of higher education, to increase the number of skilled personnel available for employment in the field of rehabilitation and to upgrade the skills of those already employed.

**National activities to improve rehabilitation services.**—Funds would be used to support technical assistance and short-term projects designed to improve program performance and the delivery of vocational rehabilitation and independent living services under the Rehabilitation Act.

**Independent living.**—Grants would be awarded to States and nonprofit agencies to support a network of independent living centers that assist individuals with significant disabilities in their achievement of self-determined independent living goals. In addition, grants would provide support services to older blind individuals to increase their ability to care for their own needs.

**Protection and advocacy of individual rights.**—Formula grants are made to State protection and advocacy systems to protect the legal and human rights of individuals with disabilities.

REHABILITATION SERVICES AND DISABILITY RESEARCH—Continued

*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 the conduct and dissemination of research and development aimed at improving the lives of individuals with disabilities. The Institute also promotes the development and utilization of new technologies to assist these individuals in achieving greater independence and integration into society. Funds would also be used to conduct rigorous evaluations of programs and activities authorized under the Rehabilitation Act.

*Helen Keller National Center for Deaf-Blind Youths and Adults.*—The Center provides services to deaf-blind youths and adults and provides training and technical assistance to professional and allied personnel at its national headquarters center and through its regional representatives and affiliate agencies.

*Assistive technology.*—Assistive Technology (AT) programs support AT State grants to implement comprehensive Statewide programs designed to maximize the ability of individuals with disabilities of all ages to obtain assistive technology. States conduct activities that include alternative financing programs, device reutilization programs, device loan programs, and device demonstrations. Formula grants are also provided under the AT Protection and Advocacy program to systems established under the Developmental Disabilities Assistance and Bill of Rights Act for protection and advocacy services to assist individuals with disabilities of all ages. Funds also support national technical assistance activities for these formula grant programs.

*Access through Cloud Computing.*—Funds would support a cloud computing initiative to improve Internet and technology access for individuals who faces technology accessibility barriers due to disability.

*Workforce innovation fund.*—This account will contribute \$30 million to a \$379 million Workforce Innovation Fund for competitive grants to test innovative strategies and replicate evidence-based practices in the workforce system. The Fund will support cross-program collaboration to improve education and employment outcomes for participants. The Departments of Labor and Education will jointly administer the Fund, which is described in more detail in the Title V General Provisions.

Object Classification (in millions of dollars)

Identification code 91-0301-0-1-506	2010 actual	CR	2012 est.
Direct obligations:			
25.1 Advisory and assistance services .....	8	8	8
25.3 Other goods and services from federal sources .....	1	1	1
41.0 Grants, subsidies, and contributions .....	3,590	3,498	3,532
99.0 Direct obligations .....	3,599	3,507	3,541
99.0 Reimbursable obligations .....	2	2	2
99.9 Total new obligations .....	3,601	3,509	3,543

SPECIAL INSTITUTIONS FOR PERSONS WITH DISABILITIES

AMERICAN PRINTING HOUSE FOR THE BLIND

For carrying out the Act of March 3, 1879, \$24,600,000.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 91-0600-0-1-501	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0001 American printing house for the blind .....	25	25	25
0900 Total new obligations (object class 41.0) .....	25	25	25
<b>Budgetary Resources:</b>			
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	25	25	25
1930 Total budgetary resources available .....	25	25	25
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross) .....	7	7	2
3030 Obligations incurred, unexpired accounts .....	25	25	25
3040 Outlays (gross) .....	-25	-30	-26
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross) .....	7	2	1
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....	25	25	25
Outlays, gross:			
4010 Outlays from new discretionary authority .....	18	24	24
4011 Outlays from discretionary balances .....	7	6	2
4020 Outlays, gross (total) .....	25	30	26
4180 Budget authority, net (total) .....	25	25	25
4190 Outlays, net (total) .....	25	30	26

The Federal appropriation supports: the production and distribution 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 2010, the portion of the Federal appropriation allocated to educational materials represented approximately 70 percent of the Printing House's total sales. The full appropriation represented approximately 81 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, \$65,037,000, of which \$2,000,000 shall be for construction and shall remain available until expended: Provided, That from the total amount available, the Institute may at its discretion use funds for the endowment program as authorized under section 207 of such Act.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 91-0601-0-1-502	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0001 Operations .....	63	63	63
0002 Construction .....	5	5	2
0900 Total new obligations (object class 41.0) .....	68	68	65
<b>Budgetary Resources:</b>			
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	68	68	65
1930 Total budgetary resources available .....	68	68	65
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross) .....	2	1	8
3030 Obligations incurred, unexpired accounts .....	68	68	65
3040 Outlays (gross) .....	-69	-61	-64

3090	Obligated balance, end of year (net): Unpaid obligations, end of year (gross) .....	1	8	9
<b>Budget authority and outlays, net:</b>				
Discretionary:				
4000	Budget authority, gross .....	68	68	65
Outlays, gross:				
4010	Outlays from new discretionary authority .....	68	60	59
4011	Outlays from discretionary balances .....	1	1	5
4020	Outlays, gross (total) .....	69	61	64
4180	Budget authority, net (total) .....	68	68	65
4190	Outlays, net (total) .....	69	61	64

This residential program 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 2010, the Federal appropriation represented approximately 75 percent of the Institute's operating budget. The 2012 request includes funds for the establishment of a deferred maintenance account. The request includes funds that may be used for the Endowment Grant program.

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, \$118,000,000: Provided, That from the total amount available, the University may at its discretion use funds for the endowment program as authorized under section 207 of such Act.*

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111–242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

**Program and Financing** (in millions of dollars)

Identification code 91–0602–0–1–502	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0001 Operations .....	118	118	118
0002 Construction .....	5	5	.....
0900 Total new obligations (object class 41.0) .....	123	123	118
<b>Budgetary Resources:</b>			
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	123	123	118
1930 Total budgetary resources available .....	123	123	118
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross) .....	6	8	17
3030 Obligations incurred, unexpired accounts .....	123	123	118
3040 Outlays (gross) .....	–121	–114	–122
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross) .....	8	17	13
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....	123	123	118
Outlays, gross:			
4010 Outlays from new discretionary authority .....	116	112	111
4011 Outlays from discretionary balances .....	5	2	11
4020 Outlays, gross (total) .....	121	114	122
4180 Budget authority, net (total) .....	123	123	118
4190 Outlays, net (total) .....	121	114	122

This institution provides undergraduate, continuing education, and graduate programs related to deafness for students who are deaf and 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 the Laurent Clerc National Deaf Education Center, which includes two elementary and secondary education programs on the main campus of the University. The Kendall Demonstration Elementary School serves students who are deaf from infancy through age 15, and the Model Secondary School for the Deaf (MSSD) serves high school age students who are deaf. The Clerc Center also develops and disseminates information on effective educational techniques and strategies for teachers and professionals working with students who are deaf or hard of hearing.

In 2010, the appropriation for Gallaudet represented approximately 69 percent of total revenue for the University. Approximately 26 percent of the Federal appropriation was used to support activities at the Clerc Center, which received nearly 100 percent of its revenue through the appropriation. In addition, the University receives other Federal funds such as student financial aid, vocational rehabilitation, Endowment Grant program income, and competitive grants and contracts. The request includes funds that may be used for the Endowment Grant program.

**OFFICE OF VOCATIONAL AND ADULT EDUCATION**

**Federal Funds**

CAREER, TECHNICAL, AND ADULT EDUCATION

*For carrying out, to the extent not otherwise provided, the Carl D. Perkins Career and Technical Education Act of 2006, the Adult Education and Family Literacy Act ("AEFLA"), and title VIII-D of the Higher Education Amendments of 1998, \$1,683,392,000, of which \$892,392,000 shall become available on July 1, 2012, and shall remain available through September 30, 2013, and of which \$791,000,000 shall become available on October 1, 2012, and shall remain available through September 30, 2013: Provided, That, of the amount provided for Adult Education State Grants, 8 percent of such amount shall be made available to the Secretary for the Workforce Innovation Fund, as established by this Act; and \$75,000,000 shall be made available for integrated English literacy and civics education services to immigrants and other limited English proficient populations: Provided further, That of the amount reserved for integrated English literacy and civics education, notwithstanding section 211 of the AEFLA, 65 percent shall be allocated to States based on a State's absolute need as determined by calculating each State's share of a 10-year average of the United States Citizenship and Immigration Services data for immigrants admitted for legal permanent residence for the 10 most recent years, and 35 percent allocated to States that experienced growth as measured by the average of the 3 most recent years for which United States Citizenship and Immigration Services data for immigrants admitted for legal permanent residence are available, except that no State shall be allocated an amount less than \$60,000: Provided further, That of the amounts made available for AEFLA, \$23,346,000 shall be for national leadership activities under section 243.*

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111–242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

**Program and Financing** (in millions of dollars)

Identification code 91–0400–0–1–501	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0001 State grants .....	1,161	1,162	1,000
0002 National programs .....	8	8	8
0004 Tech prep education State grants .....	103	103	.....
0091 Total, Career and technical education .....	1,272	1,273	1,008
0101 State grants .....	628	628	584
0102 National leadership activities .....	7	11	11
0103 National Institute for Literacy .....	6	.....	.....
0191 Total, adult education .....	641	639	595
0201 Smaller learning communities .....	101	103	60

CAREER, TECHNICAL, AND ADULT EDUCATION—Continued  
Program and Financing—Continued

Identification code 91-0400-0-1-501	2010 actual	CR	2012 est.
0301 State grants for workplace and community transition training of incarcerated individuals .....	26	17	17
0900 Total new obligations .....	2,040	2,032	1,680
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	129	105	89
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	1,225	1,225	892
Advance appropriations, discretionary:			
1170 Advance appropriation from prior year .....	791	791	791
1900 Budget authority (total) .....	2,016	2,016	1,683
1930 Total budgetary resources available .....	2,145	2,121	1,772
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	105	89	92
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross) .....	1,740	1,762	1,723
3010 Uncollected pymts, Fed sources, brought forward, Oct 1 .....	-1		
3020 Obligated balance, start of year (net) .....	1,739	1,762	1,723
3030 Obligations incurred, unexpired accounts .....	2,040	2,032	1,680
3031 Obligations incurred, expired accounts .....	2		
3040 Outlays (gross) .....	-2,012	-2,071	-1,971
3051 Change in uncollected pymts, Fed sources, expired .....	1		
3081 Recoveries of prior year unpaid obligations, expired .....	-8		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross) .....	1,762	1,723	1,432
3091 Uncollected pymts, Fed sources, end of year .....			
3100 Obligated balance, end of year (net) .....	1,762	1,723	1,432
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....	2,016	2,016	1,683
Outlays, gross:			
4010 Outlays from new discretionary authority .....	620	655	627
4011 Outlays from discretionary balances .....	1,392	1,416	1,344
4020 Outlays, gross (total) .....	2,012	2,071	1,971
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4030 Federal sources .....	-1		
Additional offsets against gross budget authority only:			
4052 Offsetting collections credited to expired accounts .....	1		
4070 Budget authority, net (discretionary) .....	2,016	2,016	1,683
4080 Outlays, net (discretionary) .....	2,011	2,071	1,971
4180 Budget authority, net (total) .....	2,016	2,016	1,683
4190 Outlays, net (total) .....	2,011	2,071	1,971

SUMMARY OF PROGRAM LEVEL

	2010-11 Academic Year	2011-12 Academic Year	2012-13 Academic Year
New Budget Authority .....	\$1,225	\$1,225	\$892
Advance Appropriation .....	791	791	791
Total program level .....	2,016	2,016	1,683
Change in advance appropriation over previous year .....	0	0	0

Career and Technical Education:

*State grants.*—Funds support formula grants to States for programs that focus on improving the academic achievement and career and technical skills of secondary and postsecondary students.

*National programs.*—Funds support discretionary activities to help improve career and technical education programs in high schools and community colleges, including a national research center on career and technical education, and evaluation activities.

Adult education:

*State programs.*—Funds support formula grants to States to help eliminate functional illiteracy among the Nation's adults,

to assist adults in obtaining a high school diploma or its equivalent, and to promote family literacy. A portion of the funds is reserved for formula grants to States to provide English literacy and civics education for immigrants and other limited English proficient adults. In addition, the Budget proposes that 8 percent of the funds would be used for the Workforce Innovation Fund to test and validate more effective approaches to achieving positive employment outcomes for program participants, particularly the most vulnerable populations. The Fund will support cross-program collaboration and bold systemic reforms to improve education and employment outcomes for participants. The Departments of Education and Labor will jointly administer the Fund, which is described in the Title V General Provisions.

*National leadership activities.*—Funds support discretionary activities to evaluate the effectiveness of Federal, State, and local adult education programs, and to test and demonstrate methods of improving program quality. Resources proposed for 2012 would support investments in technology infrastructure for adult education programs and an impact evaluation of strategies designed to help adult learners transition to postsecondary education and training.

*State grants for workplace and community transition training of incarcerated individuals.*—Funds support formula grants to State correctional education agencies that assist and encourage incarcerated individuals to acquire postsecondary education, counseling, and vocational training.

Object Classification (in millions of dollars)

Identification code 91-0400-0-1-501	2010 actual	CR	2012 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent .....	1		
25.1 Advisory and assistance services .....		18	17
25.2 Other services from non-federal sources .....	4		
25.5 Research and development contracts .....	8		
25.7 Operation and maintenance of equipment .....	1		
41.0 Grants, subsidies, and contributions .....	2,024	2,014	1,663
99.0 Direct obligations .....	2,038	2,032	1,680
99.5 Below reporting threshold .....	2		
99.9 Total new obligations .....	2,040	2,032	1,680

Employment Summary

Identification code 91-0400-0-1-501	2010 actual	CR	2012 est.
1001 Direct civilian full-time equivalent employment .....	12		

OFFICE OF POSTSECONDARY EDUCATION

Federal Funds

HIGHER EDUCATION

*For carrying out, to the extent not otherwise provided, titles III, IV, V, VI, VII, and VIII of the Higher Education Act of 1965 ("HEA"), the Mutual Educational and Cultural Exchange Act of 1961, and section 117 of the Carl D. Perkins Career and Technical Education Act of 2006, \$2,277,069,000: Provided, That \$609,000 shall be for data collection and evaluation activities for programs under the HEA, including such activities needed to comply with the Government Performance and Results Act of 1993: Provided further, That notwithstanding any other provision of law, funds made available in this Act to carry out title VI of the HEA and section 102(b)(6) of the Mutual Educational and Cultural Exchange Act of 1961 may be used to support visits and study in foreign countries by individuals who are participating in advanced foreign language training and international studies in areas that are vital to United States national security and who plan to apply their language skills and knowledge of these countries in the fields of government, the professions, or international*



*development: Provided further, That of the funds referred to in the preceding proviso up to 1 percent may be used for program evaluation, national outreach, and information dissemination activities: Provided further, That notwithstanding any other provision of law, a recipient of a multi-year award under section 316 of the HEA, as that section was in effect prior to the date of enactment of the Higher Education Opportunity Act ("HEOA"), that would have otherwise received a continuation award for fiscal year 2012 under that section, shall receive under section 316, as amended by the HEOA, not less than the amount that such recipient would have received under such a continuation award: Provided further, That the portion of the funds received under section 316 by a recipient described in the preceding proviso that is equal to the amount of such continuation award shall be used in accordance with the terms of such continuation award: Provided further, That funds available for part B of title VII may be used for continuation awards authorized under subparts 1 and 2 of part D of title VII: Provided further, That not to exceed \$15,000,000 of the funds made available under this Act for part B of title VII may be used for college completion-related performance-based awards for Pay for Success projects: Provided further, That, with respect to the previous proviso, any funds obligated for such projects shall remain available for disbursement until expended, notwithstanding 31 U.S.C. 1552(a): Provided further, That, with respect to the seventh proviso, any deobligated funds from such projects shall immediately be available for part B of title VII: Provided further, That notwithstanding section 721(c) of the HEA, funds to carry out the Thurgood Marshall Legal Educational Opportunity program under section 721 shall be awarded competitively, and any recipient shall be authorized to award subcontracts and subgrants under section 721(f): Provided further, That \$40,717,000 shall be available to fund awards under subpart 2 of part A of title VII of the HEA.*

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111–242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

**Program and Financing** (in millions of dollars)

Identification code 91–0201–0–1–502	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0001 Strengthening institutions .....	84	84	84
0002 Strengthening tribally controlled colleges and universities .....	60	60	60
0003 Strengthening Alaska Native and Native Hawaiian-serving institutions .....	28	30	30
0004 Strengthening historically Black colleges and universities .....	352	352	352
0005 Strengthening historically Black graduate institutions .....	61	61	61
0006 Masters degree programs for HBCUs and predominantly Black institutions .....	12	12	12
0007 Strengthening predominantly Black institutions .....	11	26	26
0008 Strengthening Asian American and Native American Pacific Islander-serving institutions .....	4	9	9
0009 Strengthening Native American-serving nontribal institutions .....	3	9	9
0010 Minority science and engineering improvement .....	10	10	10
0091 Subtotal, aid for institutional development .....	625	653	653
0101 Developing Hispanic-serving institutions .....	117	117	117
0102 Developing Hispanic-serving institution STEM and articulation programs .....		100	100
0103 Promoting baccalaureate opportunities for Hispanic Americans .....	22	22	22
0104 International education and foreign language studies .....	126	126	126
0105 Fund for the Improvement of Postsecondary Education .....	159	159	150
0106 Demonstration projects to support postsecondary faculty, staff, and administrators in educating students with disabilities .....	7	7	
0107 Interest subsidy grants .....	1	1	
0108 Tribally controlled postsecondary vocational and technical institutions .....	8	8	8
0109 Model transition programs for students with intellectual disabilities into higher education .....	11	11	
0110 Special programs for migrant students .....			36
0191 Subtotal, other aid for institutions .....	451	551	559
0201 Federal TRIO programs .....	910	910	920
0202 Gaining early awareness and readiness for undergraduate programs (GEAR UP) .....	323	323	323
0203 Byrd honors scholarships .....	42	42	
0204 Javits fellowships .....	10	10	9
0205 Graduate assistance in areas of national need .....	31	31	41
0206 Thurgood Marshall legal educational opportunity .....	3	3	3
0207 B.J. Stupak Olympic scholarships .....	1	1	

0208 Child care access means parents in school .....	16	16	16
0291 Subtotal, assistance for students .....	1,336	1,336	1,312
0301 Teachers for a competitive tomorrow .....	2	2	
0302 Teacher quality partnerships .....	143	43	
0303 GPRA data/HEA program evaluation .....		1	1
0304 Underground railroad program .....	1	2	
0305 College access challenge grants .....	145	150	150
0306 Legal assistance loan repayment program .....	5	5	
0307 Hawkins centers of excellence .....			40
0391 Subtotal, other higher education activities .....	296	203	191
0900 Total new obligations .....	2,708	2,743	2,715

**Budgetary Resources:**

Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	113	12	10
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	2,256	2,256	2,277
Appropriations, mandatory:			
1200 Appropriation .....	485	485	443
1900 Budget authority (total) .....	2,741	2,741	2,720
1930 Total budgetary resources available .....	2,854	2,753	2,730
Memorandum (non-add) entries:			
1940 Unobligated balance expiring .....	-134		
1941 Unexpired unobligated balance, end of year .....	12	10	15

**Change in obligated balance:**

Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross) .....	3,300	3,581	3,623
3030 Obligations incurred, unexpired accounts .....	2,708	2,743	2,715
3031 Obligations incurred, expired accounts .....	4		
3040 Outlays (gross) .....	-2,404	-2,701	-2,735
3081 Recoveries of prior year unpaid obligations, expired .....	-27		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross) .....	3,581	3,623	3,603

**Budget authority and outlays, net:**

Discretionary:			
4000 Budget authority, gross .....	2,256	2,256	2,277
Outlays, gross:			
4010 Outlays from new discretionary authority .....	53	68	68
4011 Outlays from discretionary balances .....	1,999	2,205	2,214
4020 Outlays, gross (total) .....	2,052	2,273	2,282
Mandatory:			
4090 Budget authority, gross .....	485	485	443
Outlays, gross:			
4100 Outlays from new mandatory authority .....	29	15	13
4101 Outlays from mandatory balances .....	323	413	440
4110 Outlays, gross (total) .....	352	428	453
4180 Budget authority, net (total) .....	2,741	2,741	2,720
4190 Outlays, net (total) .....	2,404	2,701	2,735

*Aid for institutional development:*

*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 tribally controlled colleges and universities.*—Discretionary and mandatory funds support grants to American Indian tribally controlled colleges and universities with scarce resources to enable them to improve and expand their capacity to serve students, and to strengthen management and fiscal operations.

*Strengthening Alaska Native and Native Hawaiian-serving institutions.*—Discretionary and mandatory funds support Alaska Native and Native Hawaiian-serving institutions to enable them to improve and expand their capacity to serve students, and to strengthen management and fiscal operations.

*Strengthening historically Black colleges and universities.*—Discretionary and mandatory funds support grants to help historically Black undergraduate institutions to improve and expand their capacity to serve students, and to strengthen management and fiscal operations.

*Strengthening historically Black graduate institutions.*—Funds support grants to help historically Black graduate institutions

HIGHER EDUCATION—Continued

to improve and expand their capacity to serve students, and to strengthen management and fiscal operations.

*Master's degree programs at historically Black colleges and universities and predominantly Black institutions.*—Mandatory funds support Historically Black Colleges and Universities (HBCUs) and Predominantly Black Institutions (PBIs) to improve and expand their capacity to serve students, and to strengthen management and fiscal operations.

*Strengthening predominantly Black institutions.*—Discretionary and mandatory funds support grants to predominantly Black institutions to improve and expand their capacity to serve students.

*Strengthening Asian American and Native American Pacific Islander-serving institutions.*—Discretionary and mandatory funds support grants to help Asian American and Native American Pacific Islander-serving institutions improve and expand their capacity to serve students, and to strengthen management and fiscal operations.

*Strengthening Native American-serving nontribal institutions.*—Discretionary and mandatory funds support grants to help Native American-serving nontribal institutions improve and expand their capacity to serve students, and to strengthen management and fiscal operations.

*Minority science and engineering improvement.*—Funds support grants to predominantly minority institutions to help them make long-range improvements in science and engineering education and to increase the participation of minorities in scientific and technological careers.

*Aid for Hispanic-serving institutions:*

*Developing Hispanic-serving institutions.*—Funds support Hispanic-serving institutions to help them improve and expand their capacity to serve students.

*Developing Hispanic-serving Institutions STEM and Articulation Programs.*—Mandatory funds support Hispanic-serving institutions to help them improve and expand their capacity to serve students with priority given to applications that propose to increase the number of Hispanics and other low-income students attaining degrees in the fields of science, technology, engineering, or mathematics; and to develop model transfer and articulation agreements between 2-year Hispanic-serving institutions and 4-year institutions in such fields.

*Promoting postbaccalaureate opportunities for Hispanic Americans.*—Discretionary and mandatory funds support Hispanic-serving Institutions to help them expand and improve postbaccalaureate educational opportunities.

*Other aid for institutions:*

*International education and foreign language studies programs.*—Funds promote the development and improvement of domestic and overseas international and foreign language programs, and an Institute for International Public Policy.

*Fund for the improvement of postsecondary education.*—Funds support a broad range of postsecondary reform and improvement projects. The majority of funds in 2012 would support the First in the World competition which would be modeled after the Investing in Innovation program for K-12.

*Tribally controlled postsecondary vocational and technical institutions.*—Funds support the operation and improvement of eligible tribally controlled postsecondary vocational institutions, to ensure continued and expanded educational opportunities for Indian students.

*Special programs for migrant students.*—Funds support grants to institutions of higher education and nonprofit organizations

that assist migrant students in earning a high school equivalency certificate or in completing their first year of college.

*Interest subsidy grants.*—Balances from prior year appropriations meet mandatory interest subsidy costs of construction loan commitments made prior to 1974.

*Assistance for students:*

*Federal TRIO programs.*—Funds support postsecondary education outreach and student support services to help individuals from disadvantaged backgrounds prepare for, enter, and complete college and graduate studies.

*Gaining early awareness and readiness for undergraduate programs.*—Funds support early college preparation and awareness activities at the State and local levels to ensure that low-income elementary and secondary school students are prepared for and pursue postsecondary education.

*Javits fellowships.*—Funds support fellowships to students of superior ability who have financial need and who are pursuing doctoral degrees in the arts, humanities, and social sciences.

*Graduate assistance in areas of national need.*—Funds support fellowships to graduate students of superior ability who have financial need for study in areas of national need.

*Thurgood Marshall legal educational opportunity program.*—Funds support grants to provide low-income, minority, or disadvantaged secondary school and college students with the information, preparation, and financial assistance needed to gain access to and complete law school study and admission to law practice.

*Child care access means parents in school.*—Funds support a program designed to bolster the participation of low-income parents in postsecondary education through the provision of campus-based child care services.

*Other activities:*

*GPRA data/HEA program evaluation.*—Funds support data collection and evaluation activities for programs under the Higher Education Act (HEA) of 1965, including such activities needed to comply with the Government Performance and Results Act (GPRA) of 1993.

*College access challenge grants.*—Mandatory funds support grants to States to promote activities designed to increase the number of low-income students who are prepared to enter and succeed in postsecondary education.

*Hawkins centers for excellence.*—Funds support a program designed to increase the talent pool of effective minority educators by expanding and reforming teacher education programs at minority-serving institutions.

Object Classification (in millions of dollars)

Identification code 91-0201-0-1-502	2010 actual	CR	2012 est.
Direct obligations:			
25.1 Advisory and assistance services .....	3	4	4
25.2 Other services from non-federal sources .....	10	9	9
25.5 Research and development contracts .....	1	.....	.....
25.7 Operation and maintenance of equipment .....	2	1	1
41.0 Grants, subsidies, and contributions .....	2,692	2,729	2,701
99.9 Total new obligations .....	2,708	2,743	2,715

HOWARD UNIVERSITY

*For partial support of Howard University, \$234,977,000, of which not less than \$3,600,000 shall be for a matching endowment grant pursuant to the Howard University Endowment Act and shall remain available until expended.*

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continu-

ing resolution (P.L. 111–242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

**Program and Financing** (in millions of dollars)

Identification code 91–0603–0–1–502	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0001 General support .....	212	206	206
0002 Howard University Hospital .....	29	29	29
0900 Total new obligations (object class 41.0) .....	241	235	235
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	7	1	1
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	235	235	235
1120 Appropriations transferred to other accounts .....	–4		
1121 Appropriations transferred from other accounts .....	4		
1160 Appropriation, discretionary (total) .....	235	235	235
1930 Total budgetary resources available .....	242	236	236
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	1	1	1
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross) .....		8	13
3030 Obligations incurred, unexpired accounts .....	241	235	235
3040 Outlays (gross) .....	–233	–230	–235
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross) .....	8	13	13
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....	235	235	235
Outlays, gross:			
4010 Outlays from new discretionary authority .....	231	221	221
4011 Outlays from discretionary balances .....	2	9	14
4020 Outlays, gross (total) .....	233	230	235
4180 Budget authority, net (total) .....	235	235	235
4190 Outlays, net (total) .....	233	230	235

Howard University is a private, nonprofit educational institution consisting of 12 schools and colleges. Federal funds are used to provide partial support for university programs as well as for the teaching hospital facilities. In 2010, Federal funding represented approximately 45 percent of the university's revenue.

**COLLEGE HOUSING AND ACADEMIC FACILITIES LOANS PROGRAM ACCOUNT**

**COLLEGE HOUSING AND ACADEMIC FACILITIES LOANS PROGRAM**

For Federal administrative expenses to carry out activities related to existing facility loans pursuant to section 121 of the Higher Education Act of 1965, \$478,000.

**HISTORICALLY BLACK COLLEGE AND UNIVERSITY CAPITAL FINANCING PROGRAM ACCOUNT**

For the cost of guaranteed loans, \$20,228,000, as authorized pursuant to part D of title III of the Higher Education Act of 1965 ("HEA"), which shall remain available through September 30, 2013: Provided, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: Provided further, That these funds are available to subsidize total loan principal, any part of which is to be guaranteed, not to exceed \$367,983,000: Provided further, That these funds may be used to support loans to public and private historically Black colleges and universities without regard to the limitations within section 344(a) of the HEA.

In addition, for administrative expenses to carry out the Historically Black College and University Capital Financing Program entered into pursuant to part D of title III of the HEA, \$354,000.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111–242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

**Program and Financing** (in millions of dollars)

Identification code 91–0241–0–1–502	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
Credit program obligations:			
0701 Direct loan subsidy .....	20	13	20
0705 Reestimates of direct loan subsidy .....	3	85	
0706 Interest on reestimates of direct loan subsidy .....		11	
0709 Administrative expenses .....	1	1	1
0900 Total new obligations .....	24	110	21
<b>Budgetary Resources:</b>			
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	21	21	21
Appropriations, mandatory:			
1200 Appropriation .....	3	96	
1900 Budget authority (total) .....	24	117	21
1930 Total budgetary resources available .....	24	117	21
Memorandum (non-add) entries:			
1940 Unobligated balance expiring .....		–7	
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross) .....	10	16	18
3030 Obligations incurred, unexpired accounts .....	24	110	21
3040 Outlays (gross) .....	–18	–108	–12
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross) .....	16	18	27
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....	21	21	21
Outlays, gross:			
4010 Outlays from new discretionary authority .....	9	5	5
4011 Outlays from discretionary balances .....	6	7	7
4020 Outlays, gross (total) .....	15	12	12
Mandatory:			
4090 Budget authority, gross .....	3	96	
Outlays, gross:			
4100 Outlays from new mandatory authority .....	3	96	
4180 Budget authority, net (total) .....	24	117	21
4190 Outlays, net (total) .....	18	108	12

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

Identification code 91–0241–0–1–502	2010 actual	CR	2012 est.
Direct loan levels supportable by subsidy budget authority:			
115002 Historically Black Colleges and Universities .....	178	178	368
115999 Total direct loan levels .....	178	178	368
Direct loan subsidy (in percent):			
132002 Historically Black Colleges and Universities .....	11.35	7.24	5.50
132999 Weighted average subsidy rate .....	11.35	7.24	5.50
Direct loan subsidy budget authority:			
133002 Historically Black Colleges and Universities .....	20	13	20
133999 Total subsidy budget authority .....	20	13	20
Direct loan subsidy outlays:			
134002 Historically Black Colleges and Universities .....	14	7	10
134999 Total subsidy outlays .....	14	7	10
Direct loan upward reestimates:			
135001 College housing and academic facilities loans .....		1	
135002 Historically Black Colleges and Universities .....	3	19	
135003 HBCU Hurricane Supplemental .....		76	
135999 Total upward reestimate budget authority .....	3	96	
Direct loan downward reestimates:			
137002 Historically Black Colleges and Universities .....	–8	–23	
137003 HBCU Hurricane Supplemental .....	–84		
137999 Total downward reestimate budget authority .....	–92	–23	
Administrative expense data:			
3510 Budget authority .....	1	1	1
3590 Outlays from new authority .....	1	1	1

As required by the Federal Credit Reform Act of 1990, this account records the subsidy costs associated with the direct loans obligated and loan guarantees committed in 1992 and beyond,

COLLEGE HOUSING AND ACADEMIC FACILITIES LOANS PROGRAM—Continued as well as any administrative expenses for the College Housing and Academic Facilities Loans Program and the Historically Black College and University Capital Financing Program. The subsidy amounts are estimated on a present value basis; the administrative expenses are on a cash basis. These programs are administered separately but consolidated in the President's budget for presentation purposes.

*College Housing and Academic Facilities Loans Program.*—Funds for this activity pay the Federal costs of administering the College Housing and Academic Facilities Loans (CHAFL), College Housing Loans (CHL), and Higher Education Facilities Loans (HEFL) programs. Prior to 1994, these programs provided financing for the construction, reconstruction, and renovation of housing, academic, and other educational facilities. Although no new loans have been awarded since 1993, the Department of Education will incur costs for administering the outstanding loans through 2030.

*Historically Black College and University Capital Financing Program.*—The Historically Black College and University (HBCU) Capital Financing Program provides HBCUs with access to capital financing for the repair, renovation, and construction of classrooms, libraries, laboratories, dormitories, instructional equipment, and research instrumentation. The authorizing statute gives the Department authority to enter into insurance agreements with a private for-profit Designated Bonding Authority. The bonding authority issues the loans and maintains an escrow account in which 5 percent of each institution's principal is deposited. The Budget requests \$20.228 million in loan subsidy, allowing the program to guarantee an estimated \$368 million in new loans in 2012. The Budget also requests a 2-year period of availability for this loan subsidy. In addition, the Budget requests funds for the Federal costs of administering the program and providing technical assistance activities that improve the financial stability of HBCUs.

**Object Classification** (in millions of dollars)

Identification code 91-0241-0-1-502	2010 actual	CR	2012 est.
41.0 Direct obligations: Grants, subsidies, and contributions .....	23	109	20
99.5 Below reporting threshold .....	1	1	1
99.9 Total new obligations .....	24	110	21

**Employment Summary**

Identification code 91-0241-0-1-502	2010 actual	CR	2012 est.
1001 Direct civilian full-time equivalent employment .....	4	4	4

**COLLEGE HOUSING AND ACADEMIC FACILITIES LOANS FINANCING ACCOUNT**

**Program and Financing** (in millions of dollars)

Identification code 91-4252-0-3-502	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
Credit program obligations:			
0713 Payment of interest to Treasury .....	1	1	1
0900 Total new obligations .....	1	1	1
<b>Budgetary Resources:</b>			
Financing authority:			
Spending authority from offsetting collections, mandatory:			
1800 Collected .....	1	2	1
1825 Spending authority from offsetting collections applied to repay debt .....		-1	
1850 Spending auth from offsetting collections, mand (total) .....	1	1	1

1930 Total budgetary resources available .....	1	1	1
<b>Change in obligated balance:</b>			
3030 Obligations incurred, unexpired accounts .....	1	1	1
3040 Financing disbursements (gross) .....		-1	-1
<b>Financing authority and disbursements, net:</b>			
Mandatory:			
4090 Financing authority, gross .....	1	1	1
Financing disbursements:			
4110 Financing disbursements, gross .....		1	1
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4120 Federal sources .....		-1	
4123 Interest repayments .....	-1	-1	-1
4130 Offsets against gross financing auth and disbursements (total) .....	-1	-2	-1
4160 Financing authority, net (mandatory) .....		-1	
4170 Financing disbursements, net (mandatory) .....	-1	-1	
4180 Financing authority, net (total) .....		-1	
4190 Financing disbursements, net (total) .....	-1	-1	

**Status of Direct Loans** (in millions of dollars)

Identification code 91-4252-0-3-502	2010 actual	CR	2012 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year .....	11	11	11
1251 Repayments: Repayments and prepayments .....			
1290 Outstanding, end of year .....	11	11	11

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 obligated in 1992 and 1993. The amounts in this account are a means of financing and are not included in the budget totals.

**Balance Sheet** (in millions of dollars)

Identification code 91-4252-0-3-502	2009 actual	2010 actual
<b>ASSETS:</b>		
Net value of assets related to post-1991 direct loans receivable:		
1401 Direct loans receivable, gross .....	11	11
1405 Allowance for subsidy cost (-) .....		-1
1499 Net present value of assets related to direct loans .....	11	10
1999 Total assets .....	11	10
<b>LIABILITIES:</b>		
2103 Federal liabilities: Debt .....	11	10
2999 Total liabilities .....	11	10
4999 Total liabilities and net position .....	11	10

**COLLEGE HOUSING AND ACADEMIC FACILITIES LOANS LIQUIDATING ACCOUNT**

**Program and Financing** (in millions of dollars)

Identification code 91-0242-0-1-502	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
Credit program obligations:			
0713 Payment of interest to Treasury .....	6	6	6
0900 Total new obligations (object class 43.0) .....	6	6	6
<b>Budgetary Resources:</b>			
Budget authority:			
Appropriations, mandatory:			
1200 Appropriation .....	2	2	2
Spending authority from offsetting collections, mandatory:			
1800 Collected .....	32	25	23
1820 Capital transfer of spending authority from offsetting collections to general fund .....	-18	-17	-15
1825 Spending authority from offsetting collections applied to repay debt .....	-10	-4	-4
1850 Spending auth from offsetting collections, mand (total) .....	4	4	4

1900	Budget authority (total) .....	6	6	6
1930	Total budgetary resources available .....	6	6	6
<b>Change in obligated balance:</b>				
Obligated balance, start of year (net):				
3000	Unpaid obligations, brought forward, Oct 1 (gross) .....	1	1	1
3030	Obligations incurred, unexpired accounts .....	6	6	6
3040	Outlays (gross) .....	-6	-6	-6
Obligated balance, end of year (net):				
3090	Unpaid obligations, end of year (gross) .....	1	1	1
<b>Budget authority and outlays, net:</b>				
Mandatory:				
4090	Budget authority, gross .....	6	6	6
Outlays, gross:				
4100	Outlays from new mandatory authority .....	6	6	6
Offsets against gross budget authority and outlays:				
Offsetting collections (collected) from:				
4123	Non-Federal sources .....	-32	-25	-23
4160	Budget authority, net (mandatory) .....	-26	-19	-17
4170	Outlays, net (mandatory) .....	-26	-19	-17
4180	Budget authority, net (total) .....	-26	-19	-17
4190	Outlays, net (total) .....	-26	-19	-17

**Status of Direct Loans** (in millions of dollars)

Identification code 91-0242-0-1-502	2010 actual	CR	2012 est.
Cumulative balance of direct loans outstanding:			
1210	Outstanding, start of year .....	184	141
1251	Repayments: Repayments and prepayments .....	-25	-4
1290	Outstanding, end of year .....	159	137

As required by the Federal Credit Reform Act of 1990, the College Housing and Academic Facilities Loans Liquidating Account records all cash flows to and from the Government resulting from direct loans obligated prior to 1992. This account includes loans made under the College Housing and Academic Facilities Loans, College Housing Loans, and Higher Education Facilities Loans programs, which continue to be administered separately.

**Balance Sheet** (in millions of dollars)

Identification code 91-0242-0-1-502	2009 actual	2010 actual
<b>ASSETS:</b>		
1601	Direct loans, gross .....	185
1602	Interest receivable .....	5
1699	Value of assets related to direct loans .....	190
1999	Total assets .....	190
<b>LIABILITIES:</b>		
Federal liabilities:		
2103	Debt .....	60
2104	Resources payable to Treasury .....	130
2999	Total liabilities .....	190
4999	Total liabilities and net position .....	190

**HISTORICALLY BLACK COLLEGE AND UNIVERSITY CAPITAL FINANCING DIRECT LOAN FINANCING ACCOUNT**

**Program and Financing** (in millions of dollars)

Identification code 91-4255-0-3-502	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0003	Subsidy Payments - Interest Subsidy .....		1
0004	Interest paid to Treasury (FFB) .....	10	14
0091	Subtotal .....	10	15
Credit program obligations:			
0710	Direct loan obligations .....	178	368
0742	Downward reestimate paid to receipt account .....	78	17
0743	Interest on downward reestimates .....	14	7
0791	Direct program activities, subtotal .....	270	368

0900	Total new obligations .....	280	214	383
<b>Budgetary Resources:</b>				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1 .....	304	245	338
1021	Recoveries of prior year unpaid obligations .....	2		
1050	Unobligated balance (total) .....	306	245	338
Financing authority:				
Borrowing authority, mandatory:				
1400	Borrowing authority .....	178	178	368
Spending authority from offsetting collections, mandatory:				
1800	Collected .....	52	148	57
1825	Spending authority from offsetting collections applied to repay debt .....	-11	-19	-21
1850	Spending auth from offsetting collections, mand (total) .....	41	129	36
1900	Financing authority (total) .....	219	307	404
1930	Total budgetary resources available .....	525	552	742
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year .....	245	338	359

<b>Change in obligated balance:</b>				
Obligated balance, start of year (net):				
3000	Unpaid obligations, brought forward, Oct 1 (gross) .....	222	226	268
3010	Uncollected pymts, Fed sources, brought forward, Oct 1 .....	-10	-10	-10
3020	Obligated balance, start of year (net) .....	212	216	258
3030	Obligations incurred, unexpired accounts .....	280	214	383
3040	Financing disbursements (gross) .....	-274	-172	-210
3080	Recoveries of prior year unpaid obligations, unexpired .....	-2		
Obligated balance, end of year (net):				
3090	Unpaid obligations, end of year (gross) .....	226	268	441
3091	Uncollected pymts, Fed sources, end of year .....	-10	-10	-10
3100	Obligated balance, end of year (net) .....	216	258	431

<b>Financing authority and disbursements, net:</b>				
Mandatory:				
4090	Financing authority, gross .....	219	307	404
Financing disbursements:				
4110	Financing disbursements, gross .....	274	172	210
Offsets against gross financing authority and disbursements:				
Offsetting collections (collected) from:				
4120	Federal sources .....	-17	-102	-10
4122	Interest on uninvested funds .....	-12	-15	-12
4123	Interest repayments .....	-11	-12	-14
4123	Principal repayments .....	-12	-19	-21
4130	Offsets against gross financing auth and disbursements (total) .....	-52	-148	-57
4160	Financing authority, net (mandatory) .....	167	159	347
4170	Financing disbursements, net (mandatory) .....	222	24	153
4180	Financing authority, net (total) .....	167	159	347
4190	Financing disbursements, net (total) .....	222	24	153

**Status of Direct Loans** (in millions of dollars)

Identification code 91-4255-0-3-502	2010 actual	CR	2012 est.
Position with respect to appropriations act limitation on obligations:			
1111	Limitation on direct loans .....	178	178
1150	Total direct loan obligations .....	178	178
Cumulative balance of direct loans outstanding:			
1210	Outstanding, start of year .....	452	704
1231	Disbursements: Direct loan disbursements .....	263	137
1251	Repayments: Repayments and prepayments .....	-11	-19
1290	Outstanding, end of year .....	704	987

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Federal Government resulting from direct loans obligated in 1996 and beyond. The Federal Financing Bank (FFB) purchases bonds issued by the HBCU Designated Bonding Authority. Under the policies governing Federal credit programs, bonds purchased by the FFB and supported by the Department of Education with a letter of credit create the equivalent of a Federal direct loan. HBCU bonds are also available for purchase by the private sector, and these will be treated as loan guarantees. However, the Department anticipates that all HBCU loans will be financed by

**HISTORICALLY BLACK COLLEGE AND UNIVERSITY CAPITAL FINANCING DIRECT LOAN FINANCING ACCOUNT—Continued**

the FFB. The amounts in this account are a means of financing and are not included in the budget totals.

**Balance Sheet** (in millions of dollars)

Identification code 91-4255-0-3-502	2009 actual	2010 actual
<b>ASSETS:</b>		
1101 Federal assets: Fund balances with Treasury .....	273	280
Net value of assets related to post-1991 direct loans receivable:		
1401 Direct loans receivable, gross .....	453	705
1402 Interest receivable .....	8	12
1499 Net present value of assets related to direct loans .....	461	717
1999 Total assets .....	734	997
<b>LIABILITIES:</b>		
Federal liabilities:		
2102 Interest payable .....	8	12
2103 Debt .....	453	705
2201 Non-Federal liabilities: Undisbursed direct loans .....	273	280
2999 Total liabilities .....	734	997
4999 Total liabilities and net position .....	734	997

**OFFICE OF FEDERAL STUDENT AID**

*Federal Funds*

STUDENT FINANCIAL ASSISTANCE

For carrying out subparts 1 and 3 of part A, and part C of title IV of the Higher Education Act of 1965, \$30,338,016,000, which shall remain available through September 30, 2013.

The maximum Pell Grant for which a student shall be eligible during award year 2012–2013 shall be \$4,860.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111–242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

**Program and Financing** (in millions of dollars)

Identification code 91-0200-0-1-502	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0101 Federal Pell grants .....	32,905	33,953	41,060
0201 Federal supplemental educational opportunity grants (SEOG) .....	759	758	757
0202 Federal work-study .....	995	981	981
0291 Campus-based activities - Subtotal .....	1,754	1,739	1,738
0301 Leveraging educational assistance partnership .....	64	64	.....
0900 Total new obligations (object class 41.0) .....	34,723	35,756	42,798
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	10,215	154	8,609
1010 Unobligated balance transferred to other accounts .....	-18	.....	.....
1021 Recoveries of prior year unpaid obligations .....	84	.....	.....
1050 Unobligated balance (total) .....	10,281	154	8,609
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	22,327	24,964	45,616
1130 Appropriations permanently reduced .....	-3,030	.....	.....
1160 Appropriation, discretionary (total) .....	19,297	24,964	45,616
Appropriations, mandatory:			
1200 Appropriation .....	6,131	19,247	5,471
1231 Appropriations permanently reduced .....	-831	.....	.....
1260 Appropriations, mandatory (total) .....	5,300	19,247	5,471
1900 Budget authority (total) .....	24,597	44,211	51,087
1930 Total budgetary resources available .....	34,878	44,365	59,696
Memorandum (non-add) entries:			
1940 Unobligated balance expiring .....	-1	.....	.....
1941 Unexpired unobligated balance, end of year .....	154	8,609	16,898

**Change in obligated balance:**

Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross) .....	17,029	17,693	14,011
3030 Obligations incurred, unexpired accounts .....	34,723	35,756	42,798
3031 Obligations incurred, expired accounts .....	46	.....	.....
3040 Outlays (gross) .....	-33,954	-39,438	-41,766
3080 Recoveries of prior year unpaid obligations, unexpired .....	-84	.....	.....
3081 Recoveries of prior year unpaid obligations, expired .....	-67	.....	.....
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross) .....	17,693	14,011	15,043

**Budget authority and outlays, net:**

Discretionary:			
4000 Budget authority, gross .....	19,297	24,964	45,616
Outlays, gross:			
4010 Outlays from new discretionary authority .....	5,649	8,781	18,189
4011 Outlays from discretionary balances .....	24,562	14,296	16,073
4020 Outlays, gross (total) .....	30,211	23,077	34,262
Mandatory:			
4090 Budget authority, gross .....	5,300	19,247	5,471
Outlays, gross:			
4100 Outlays from new mandatory authority .....	2,045	13,192	1,481
4101 Outlays from mandatory balances .....	1,698	3,169	6,023
4110 Outlays, gross (total) .....	3,743	16,361	7,504
4180 Budget authority, net (total) .....	24,597	44,211	51,087
4190 Outlays, net (total) .....	33,954	39,438	41,766

**Summary of Budget Authority and Outlays** (in millions of dollars)

	2010 actual	CR	2012 est.
Enacted/requested:			
Budget Authority .....	24,597	44,211	51,087
Outlays .....	33,954	39,438	41,766
Legislative proposal, not subject to PAYGO:			
Budget Authority .....	.....	.....	-15,278
Outlays .....	.....	-923	-4,125
Legislative proposal, subject to PAYGO:			
Budget Authority .....	.....	-529	7,135
Outlays .....	.....	-60	1,536
Total:			
Budget Authority .....	24,597	43,682	42,944
Outlays .....	33,954	38,455	39,177

**Status of Direct Loans** (in millions of dollars)

Identification code 91-0200-0-1-502	2010 actual	CR	2012 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year .....	306	305	304
1251 Repayments: Repayments and prepayments .....	-22	-22	-21
1264 Write-offs for default: Other adjustments, net (+ or -) .....	21	21	21
1290 Outstanding, end of year .....	305	304	304

Notes.—Figures include, in all years, institutional matching share of defaulted notes assigned from institutions to the Education Department.

Funding from the Student Financial Assistance account and related matching funds would provide over 13.8 million awards totaling nearly \$42.6 billion in available aid in award year 2012–2013.

*Federal Pell grants.*—Pell Grants are the single largest source of grant aid for postsecondary education. Funding for this program is provided from two sources: discretionary appropriations and, beginning in 2008, mandatory funding authorized under the College Cost Reduction and Access Act of 2007. The Recovery Act provided additional discretionary and mandatory budget authority in 2009. In 2010, the Health Care and Education Reconciliation Act provided additional budget authority for fiscal year 2011 and also made changes to how the mandatory add-on to a student's Pell Grant is calculated and funded.

In 2012, more than 9.6 million undergraduates will receive up to \$4,860 from discretionary funding and an additional \$690 from mandatory funds to help pay for postsecondary education. Undergraduate students establish eligibility for these grants under award and need determination rules set out in the authorizing statute and annual appropriations act. The Budget request in-

cludes \$41.2 billion for Pell Grants in 2012, of which \$28.6 billion is discretionary, to support a projected maximum award of \$5,550.

To offset this dramatic increase in Pell Grant costs, effective beginning the 2011–2012 academic year, the Budget proposes eliminating second Pell Grants in an award year, which are currently available to certain students as authorized by the Higher Education Opportunity Act of 2008. The Administration will work with Congress to implement a cost-effective program to improve on-time graduation of students. In addition, concurrent with the release of the 2012 Budget, the Department of Education will announce administrative steps to reduce improper payments in the Pell Grant program by directing students and parents to use an existing IRS data retrieval process to populate or update income data elements on the student aid application beginning in January 2012. Taking these administrative actions and repropo- sitioning the elimination of other data elements not already available from the IRS will greatly simplify the aid application process. Together, these measures reduce the discretionary Pell Grant request by almost \$9 billion.

The Budget also proposes several changes in the mandatory loan accounts. Budget savings from these proposals would be, in part, appropriated to the Pell program, providing over \$3.7 billion in 2012.

**Federal supplemental educational opportunity grants (SEOG).**—Federal funds are awarded by formula to qualifying institutions, which use these funds to award grants to undergraduate students. While institutions have discretion in awarding these funds, they are required to give priority to Pell Grant recipients and other students with exceptional need. The Federal share of these grants cannot exceed 75 percent of the total grant. The 2012 Budget includes \$757 million for SEOG, which would generate \$959 million in aid to 1.3 million students.

**Federal work-study.**—Federal funds are awarded by formula to qualifying institutions, which provide part-time jobs to eligible undergraduate and graduate students. Hourly earnings under this program must be at least the Federal minimum wage. Federal funding, in most cases, pays 75 percent of a student's hourly wages, with the remaining 25 percent paid by the employer. The Federal Work-Study program also requires participating institutions to use at least 7 percent of their total funds for students employed in community service jobs. The 2012 Budget includes \$980 million for Work-Study, which would generate \$1.2 billion in aid to more than 713,000 students.

**Federal Perkins loans.**—Institutions award low-interest loans from institutional revolving funds, which are comprised of Federal Capital Contributions, institutional matching funds, and student repayments on outstanding loans. No new Federal Capital Contributions have been appropriated since 2004. The Administration supports congressional action to modernize and expand the Perkins Loan program so more colleges can participate and more students receive access to these loans. The proposal would increase, beginning on July 1, 2012, the total annual loan amounts available to students to \$8.5 billion from the current \$1 billion. Rather than operating through institutional revolving funds, the Federal Government would originate and service Perkins Loans. Loan volume would be allocated among degree-granting institutions using a method to be determined in consultation with Congress. This new formula should encourage colleges to control costs and offer need-based aid to prevent excessive indebtedness. Schools would continue to have discretion with about student eligibility. Perkins Loan borrowers would be charged a 6.8 percent interest rate, the same as in the unsubsidized Stafford Loan program. These loans would accrue interest while students are in school and other loan terms and conditions would be the

same as current Unsubsidized Stafford loans. As current Perkins Loan borrowers repay their loans, schools would remit the Federal share of those payments to the Department of Education. Schools would retain their own share of the revolving funds, as well as amounts sufficient to cover the costs of the various Perkins Loan forgiveness provisions. Mandatory loan subsidy costs of this proposal would reduce 2012 outlays by \$578 million and are displayed in the Federal Perkins Loan program account.

**Iraq and Afghanistan service grants.**—This program, which became effective July 1, 2010, provides non-need-based grants to students whose parent or guardian was a member of the Armed Forces and died in Iraq or Afghanistan as a result of performing military service after September 11, 2001. Service Grants are equal to the maximum Pell Grant for a given award year. The Administration anticipates spending \$235,000 to support an estimated maximum of 1,000 awards in 2012.

**Student Success Incentive Payments.**—Under this proposal, the Department of Education, in collaboration with States, would make competitive grants to institutions that have demonstrable success in enrolling and graduating more high-need students and enabling them to enter successful employment. The Budget provides \$50 million in 2012 and \$300 million per year for the next four years thereafter.

**Funding tables.**—The following tables display student aid funds available, the number of aid awards, average awards, and the unduplicated count of recipients from each Federal student aid program. Loan amounts reflect the amount actually loaned to borrowers, not the Federal cost of these loans. The data in these tables include matching funds wherever appropriate. The 2012 data in these tables reflect the Administration's legislative proposals. All of the following tables include 2010 FFEL data only for the first three quarters of 2010, due to the end of the program as of July 1, 2010, as stipulated in the Health Care and Education Reconciliation Act of 2010.

**AID FUNDS AVAILABLE FOR POSTSECONDARY EDUCATION AND TRAINING**

	[in thousands]		
	2010	2011	2012
Pell grants .....	\$36,514,635	\$35,772,935	\$36,072,930
Student loans:			
Guaranteed student loans:			
Stafford loans .....	7,814,670	0	0
Unsubsidized Stafford loans .....	9,810,058	0	0
PLUS .....	1,992,807	0	0
Direct student loans:			
Stafford loans .....	32,743,907	44,508,862	38,487,940
Unsubsidized Stafford loans .....	37,451,170	52,726,216	65,442,118
PLUS .....	14,508,398	18,862,758	20,387,820
Consolidation:			
FFEL .....	78,730	0	0
Direct Loans .....	17,078,547	19,537,518	22,716,869
Perkins loans .....	970,705	970,705	4,227,635
Student loans, subtotal .....	122,448,994	136,606,059	151,262,382
Work-study .....	1,170,845	1,170,845	1,170,845
Supplemental educational opportunity grants .....	958,816	958,816	958,816
Leveraging educational assistance partnerships .....	161,556	161,556	0
Iraq and Afghanistan service grants .....	180	232	235
Academic competitiveness grants/SMART .....	932,000	0	0
TEACH grants .....	108,712	131,360	67,798
Presidential teaching fellows .....	0	0	144,030
Total aid available .....	162,295,738	174,801,804	189,677,036

Note: The 2012 Budget also includes a proposal to create a Student Success Incentive Payment program. This program requested to be funded at \$50 million in 2012, to help encourage positive outcomes for low-income students in higher education.

**NUMBER OF AID AWARDS**

	[in thousands]		
	2010	2011	2012
Pell grants .....	8,873	9,413	9,614
Guaranteed student loans-Stafford loans .....	2,438	0	0
Guaranteed student loans-Unsubsidized Stafford loans .....	2,547	0	0
Guaranteed student loans-PLUS .....	235	0	0

**STUDENT FINANCIAL ASSISTANCE—Continued**  
**NUMBER OF AID AWARDS —Continued**

	2010	2011	2012
Guaranteed student loans—Consolidation .....	2	0	0
Direct student loans—Stafford loans .....	7,756	10,992	10,375
Direct student loans—Unsubsidized Stafford loans .....	7,754	11,196	13,132
Direct student loans—PLUS .....	1,137	1,540	1,617
Direct student loans—Consolidation .....	492	538	609
Perkins loans .....	493	493	2,148
Work-study .....	713	713	713
Supplemental educational opportunity grants .....	1,339	1,339	1,339
Leveraging educational assistance partnerships .....	162	162	0
Iraq and Afghanistan service grants .....	0 <sup>1</sup>	0 <sup>1</sup>	0 <sup>1</sup>
Academic competitiveness grants/SMART .....	936	0	0
TEACH grants .....	37	44	25
Presidential teaching fellows .....	0	0	14
<b>Total awards .....</b>	<b>34,913</b>	<b>36,430</b>	<b>39,586</b>

<sup>1</sup>Number of recipients is fewer than 1,000.

Note: The 2012 Budget also includes a proposal to create a Student Success Incentive Payment program. This program is anticipated to provide 25 grants in 2012, to help encourage positive outcomes for low-income students in higher education.

**AVERAGE AID AWARDS**

[in whole dollars]

	2010	2011	2012
Pell grants .....	\$4,115	\$3,800	\$3,752
Guaranteed student loans—Stafford loans .....	3,205	0	0
Guaranteed student loans—Unsubsidized Stafford loans .....	3,852	0	0
Guaranteed student loans—PLUS .....	8,484	0	0
Guaranteed student loans—Consolidation .....	33,431	0	0
Direct student loans—Stafford loans .....	4,222	4,049	3,710
Direct student loans—Unsubsidized Stafford loans .....	4,830	4,709	4,984
Direct student loans—PLUS .....	12,762	12,251	12,610
Direct student loans—Consolidation .....	34,745	36,338	37,323
Perkins loans .....	1,968	1,968	1,968
Work-study .....	1,642	1,642	1,642
Supplemental educational opportunity grants .....	716	716	716
Leveraging educational assistance partnerships .....	1,000	1,000	0
Iraq and Afghanistan service grants .....	4,816	4,816	4,815
Academic competitiveness grants/SMART .....	996	0	0
TEACH grants .....	2,966	2,966	2,703
Presidential teaching fellows .....	0	0	10,000

Note: The 2012 Budget also includes a proposal to create a Student Success Incentive Payment program. This program is anticipated to provide 25 grants in 2012, to help encourage positive outcomes for low-income students in higher education.

**NUMBER OF STUDENTS AIDED**

[in thousands]

	2010	2011	2012
Unduplicated student count .....	13,825	15,248	15,976

**ADMINISTRATIVE PAYMENTS TO INSTITUTIONS**

[in thousands of dollars]

	2010	2011	2012
Pell grants .....	\$44,365	\$47,065	\$48,070
Work-study .....	73,250	73,250	73,250
Supplemental educational opportunity grants .....	38,353	38,353	38,353
Perkins loans .....	38,828	38,828	19,414

**STUDENT FINANCIAL ASSISTANCE**  
**(Legislative proposal, not subject to PAYGO)**

**Program and Financing** (in millions of dollars)

Identification code 91–0200–2–1–502	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0101 Federal Pell grants .....		–2,904	–10,927
0900 Total new obligations (object class 41.0) .....		–2,904	–10,927
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....			2,904
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....			–15,278
1930 Total budgetary resources available .....			–12,374

Memorandum (non-add) entries:			
1941		2,904	–1,447
	Unexpired unobligated balance, end of year .....		
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000	Unpaid obligations, brought forward, Oct 1 (gross) .....		–1,981
3030	Obligations incurred, unexpired accounts .....	–2,904	–10,927
3040	Outlays (gross) .....	923	4,125
Obligated balance, end of year (net):			
3090	Unpaid obligations, end of year (gross) .....	–1,981	–8,783
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000	Budget authority, gross .....		–15,278
Outlays, gross:			
4010	Outlays from new discretionary authority .....		–4,125
4011	Outlays from discretionary balances .....	–923	
4020	Outlays, gross (total) .....	–923	–4,125
4180	Budget authority, net (total) .....		–15,278
4190	Outlays, net (total) .....	–923	–4,125

**STUDENT FINANCIAL ASSISTANCE**  
**(Legislative proposal, subject to PAYGO)**

**Program and Financing** (in millions of dollars)

Identification code 91–0200–4–1–502	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0101 Federal Pell grants .....		–450	5,943
0401 Student success incentive payments (proposed legislation) .....			50
0900 Total new obligations (object class 41.0) .....		–450	5,993
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....			–79
Budget authority:			
Appropriations, mandatory:			
1200 Appropriation .....		–529	7,135
1900 Budget authority (total) .....		–529	7,135
1930 Total budgetary resources available .....		–529	7,056
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....		–79	1,063
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000	Unpaid obligations, brought forward, Oct 1 (gross) .....		–390
3030	Obligations incurred, unexpired accounts .....	–450	5,993
3040	Outlays (gross) .....	60	–1,536
Obligated balance, end of year (net):			
3090	Unpaid obligations, end of year (gross) .....	–390	4,067
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000	Budget authority, gross .....		
Mandatory:			
4090	Budget authority, gross .....	–529	7,135
Outlays, gross:			
4100	Outlays from new mandatory authority .....	–60	1,917
4101	Outlays from mandatory balances .....		–381
4110	Outlays, gross (total) .....	–60	1,536
4180	Budget authority, net (total) .....	–529	7,135
4190	Outlays, net (total) .....	–60	1,536

**STUDENT AID ADMINISTRATION**

For Federal administrative expenses to carry out part D of title I, and subparts 1, 3, 4, 9, and 10 of part A, and parts B, C, D, and E of title IV of the Higher Education Act of 1965, \$1,095,418,000, to remain available until September 30, 2013: Provided, That not more than \$370,314,000 may be used to carry out loan servicing activities: Provided further, That with respect to the previous proviso, amounts may be increased (from amounts provided under this heading) due to changes in the loan portfolio, upon the determination by the Secretary that additional amounts are needed and the Secretary notifies the Committees on Appropriations of the House of Representatives and the Senate of such determination.



Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111–242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

**Program and Financing** (in millions of dollars)

Identification code 91–0202–0–1–502	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0001 Student aid administration .....	662	803	972
0002 Servicing activities .....	371	276	370
0900 Total new obligations .....	1,033	1,079	1,342
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	87		
1011 Unobligated balance transferred from other accounts .....	18		
1021 Recoveries of prior year unpaid obligations .....	22		
1050 Unobligated balance (total) .....	127		
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	870	870	1,095
1130 Appropriations permanently reduced .....	–82		
1160 Appropriation, discretionary (total) .....	788	870	1,095
Appropriations, mandatory:			
1200 Appropriation .....	124	209	247
1900 Budget authority (total) .....	912	1,079	1,342
1930 Total budgetary resources available .....	1,039	1,079	1,342
Memorandum (non-add) entries:			
1940 Unobligated balance expiring .....	–6		
1941 Unexpired unobligated balance, end of year .....			
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross) .....	334	474	649
3030 Obligations incurred, unexpired accounts .....	1,033	1,079	1,342
3040 Outlays (gross) .....	–868	–904	–1,166
3080 Recoveries of prior year unpaid obligations, unexpired .....	–22		
3081 Recoveries of prior year unpaid obligations, expired .....	–3		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross) .....	474	649	825
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....	788	870	1,095
Outlays, gross:			
4010 Outlays from new discretionary authority .....	491	503	618
4011 Outlays from discretionary balances .....	363	270	341
4020 Outlays, gross (total) .....	854	773	959
Mandatory:			
4090 Budget authority, gross .....	124	209	247
Outlays, gross:			
4100 Outlays from new mandatory authority .....	14	100	119
4101 Outlays from mandatory balances .....		31	88
4110 Outlays, gross (total) .....	14	131	207
4180 Budget authority, net (total) .....	912	1,079	1,342
4190 Outlays, net (total) .....	868	904	1,166

The Department of Education manages Federal student aid programs that will provide over \$188 billion in new Federal student aid grants and loans to nearly 16 million students and parents in 2012. Primary responsibility for administering these programs lies with the Office of Postsecondary Education and the performance-based Federal Student Aid (FSA), which are both overseen by the Office of the Under Secretary. FSA was created by Congress in 1998 with a mandate to improve service to students and other student aid program participants, reduce student aid administration costs, and improve accountability and program integrity.

The 2012 Budget includes \$725 million for student aid administration and \$370 million for loan servicing activities, for a total of \$1.095 billion in discretionary budget authority. In addition, \$247 million in mandatory funds may be used for student loan servicing. These funds primarily support processing student aid applications; providing and tracking aid awards to students,

parents, and schools; promoting efforts to reach key student populations; and simplifying the student aid application.

**Servicing Cost Assumptions:**

The following table details the major assumptions driving servicing costs for Federal student loans. Servicing costs are largely determined by volume (average borrower accounts per month) and the average contractual unit costs negotiated to service the volume. Average borrower accounts per month are calculated by the distribution of new unique borrower accounts to one of the multiple servicers contracted with the Department. Currently, the Department contracts with five servicers, through the Common Servicers for Borrowers (CSB) contract and the Title IV Additional Servicers (TIVAS) contract. The average unit cost to service each borrower is derived by contractual pricing schedules based on different borrower statuses (e.g. in-school, in-grace/current repayment, deferment/forbearance, and delinquency). Differences in distribution among loan statuses will affect overall unit costs due to different pricing for different statuses (e.g., in-repayment borrowers cost more to service than in-school borrowers).

**Trends in Assumptions:**

The increases in average unit cost from 2010 to 2011, and 2011 to 2012, are largely due to an assumption that borrowers will be shifted from the CSB servicer to new Not-For-Profit servicers, in accordance with Section 2212 of the Health Care and Education Reconciliation Act of 2010 (Pub.L. 111–152, 124 Stat. 1029). This assumption also largely accounts for the different trends in volume between servicers. The new Not-For-Profit servicers pricing is assumed to be the same as the TIVAS servicers. Differences in average unit costs between the servicers are driven by the composition of individual servicer portfolios; for the TIVAS and new Not-For-Profit servicers, average costs would be the same assuming comparable portfolios. These trends in unit cost and volume are not expected to continue beyond 2012.

**Student Aid Administration Servicing Variables**

	2010	2011	2012
For-Profit Servicers Average Borrower Accounts per Month .....	17,637,573	18,774,740	19,280,392
For-Profit Servicers Average Unit Cost per Month .....	\$1.36	\$1.52	\$1.60
Not-For-Profit Servicers Average Borrower Accounts per Month .....	4,055,473	8,954,760	12,539,168
Not-For-Profit Servicers Average Unit Cost per Month .....	\$1.40	\$1.51 <sup>1</sup>	\$1.56 <sup>1</sup>

<sup>1</sup>Average unit cost assumes the same Title IV Servicers (TIVAS) pricing and distribution among borrower statuses for Not-For-Profit Servicers.

**Object Classification** (in millions of dollars)

Identification code 91–0202–0–1–502	2010 actual	CR	2012 est.
<b>Direct obligations:</b>			
Personnel compensation:			
11.1 Full-time permanent .....	112	137	149
11.3 Other than full-time permanent .....	3		
11.5 Other personnel compensation .....	3	3	3
11.9 Total personnel compensation .....	118	140	152
12.1 Civilian personnel benefits .....	31	38	40
21.0 Travel and transportation of persons .....	3	3	5
23.1 Rental payments to GSA .....	17	18	19
23.3 Communications, utilities, and miscellaneous charges .....	2	1	1
24.0 Printing and reproduction .....	3	4	4
25.1 Advisory and assistance services .....	6	3	5
25.2 Other services from non-federal sources .....	26	594	821
25.3 Other goods and services from federal sources .....	26	17	17
25.7 Operation and maintenance of equipment .....	778	235	277
31.0 Equipment .....	3	1	
41.0 Grants, subsidies, and contributions .....	19	25	
99.0 Direct obligations .....	1,032	1,079	1,341
99.5 Below reporting threshold .....	1		1
99.9 Total new obligations .....	1,033	1,079	1,342

STUDENT AID ADMINISTRATION—Continued  
Employment Summary

Identification code 91-0202-0-1-502	2010 actual	CR	2012 est.
1001 Direct civilian full-time equivalent employment .....	1,113	1,291	1,319

ACADEMIC COMPETITIVENESS/SMART GRANT PROGRAM  
Program and Financing (in millions of dollars)

Identification code 91-0205-0-1-502	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0001 ACG/SMART Grants .....	918	449	.....
0900 Total new obligations (object class 41.0) .....	918	449	.....
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	31	449	.....
Budget authority:			
Appropriations, discretionary:			
1130 Appropriations permanently reduced .....		-112	.....
1131 Unobligated balance of appropriations permanently reduced .....		-449	.....
1160 Appropriation, discretionary (total) .....		-561	.....
Appropriations, mandatory:			
1200 Appropriation .....	1,010		.....
1200 Funds becoming available from prior year deferral .....	887	561	.....
1231 Appropriation deferred to future years .....	-561		.....
1260 Appropriations, mandatory (total) .....	1,336	561	.....
1900 Budget authority (total) .....	1,336		.....
1930 Total budgetary resources available .....	1,367	449	.....
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	449		.....
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross) .....	330	383	52
3030 Obligations incurred, unexpired accounts .....	918	449	.....
3031 Obligations incurred, expired accounts .....	236		.....
3040 Outlays (gross) .....	-881	-780	-4
3081 Recoveries of prior year unpaid obligations, expired .....	-220		.....
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross) .....	383	52	48
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....		-561	.....
Mandatory:			
4090 Budget authority, gross .....	1,336	561	.....
Outlays, gross:			
4101 Outlays from mandatory balances .....	881	780	4
4180 Budget authority, net (total) .....	1,336		.....
4190 Outlays, net (total) .....	881	780	4

These need-based programs provide grants to full- and part-time students who are eligible to receive a Pell Grant. Eligibility for second-, third-, and fourth-year students is based on maintenance of a 3.0 grade point average. The Ensuring Continued Access to Student Loans Act (ECASLA) expanded the grants to non-citizens, part-time students, and students pursuing certificate programs.

*Academic Competitiveness Grants (ACG).*—These grants are awarded to first-year and second-year students who have completed a rigorous course of study in high school. Grant levels are \$750 for first-year students and \$1,300 for second-year students.

*Science and Mathematics Access to Retain Talent (SMART) Grants.*—These grants are awarded to third-year and fourth-year students pursuing a major in mathematics, science, or a foreign language deemed critical to national security. Grant levels are \$4,000 for both third- and fourth-year students.

Taken together with other Federal student aid, grants cannot exceed a student's cost of attendance. Program funding in excess

of the amount needed to fund grants in a given year can be carried over for use in subsequent years; if the mandatory funding level is insufficient to fund program grants, grant levels are reduced. This program will expire July 1, 2011.

【TEACH GRANT PROGRAM ACCOUNT】TEACHER EDUCATION ASSISTANCE

Program and Financing (in millions of dollars)

Identification code 91-0206-0-1-502	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
Credit program obligations:			
0701 Direct loan subsidy .....	15	22	25
0705 Reestimates of direct loan subsidy .....	12		.....
0900 Total new obligations (object class 41.0) .....	27	22	25
<b>Budgetary Resources:</b>			
Budget authority:			
Appropriations, mandatory:			
1200 Appropriation (indefinite) - Loan subsidy .....	15	22	25
1200 Appropriation (indefinite) - Upward reestimate .....	12		.....
1260 Appropriations, mandatory (total) .....	27	22	25
1930 Total budgetary resources available .....	27	22	25
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross) .....		5	10
3030 Obligations incurred, unexpired accounts .....	27	22	25
3040 Outlays (gross) .....	-22	-17	-23
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross) .....	5	10	12
<b>Budget authority and outlays, net:</b>			
Mandatory:			
4090 Budget authority, gross .....	27	22	25
Outlays, gross:			
4100 Outlays from new mandatory authority .....	22	13	19
4101 Outlays from mandatory balances .....		4	4
4110 Outlays, gross (total) .....	22	17	23
4180 Budget authority, net (total) .....	27	22	25
4190 Outlays, net (total) .....	22	17	23

Summary of Budget Authority and Outlays (in millions of dollars)

	2010 actual	CR	2012 est.
Enacted/requested:			
Budget Authority .....	27	22	25
Outlays .....	22	17	23
Legislative proposal, subject to PAYGO:			
Budget Authority .....			174
Outlays .....			2
Total:			
Budget Authority .....	27	22	199
Outlays .....	22	17	25

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

Identification code 91-0206-0-1-502	2010 actual	CR	2012 est.
Direct loan levels supportable by subsidy budget authority:			
115001 TEACH Grants .....	108	163	188
115999 Total direct loan levels .....	108	163	188
Direct loan subsidy (in percent):			
132001 TEACH Grants .....	13.63	13.31	13.33
132999 Weighted average subsidy rate .....	13.63	13.31	13.33
Direct loan subsidy budget authority:			
133001 TEACH Grants .....	15	22	25
133999 Total subsidy budget authority .....	15	22	25
Direct loan subsidy outlays:			
134001 TEACH Grants .....	10	17	19
134999 Total subsidy outlays .....	10	17	19

Direct loan upward reestimates:			
135001	TEACH Grants	12	
135999	Total upward reestimate budget authority	12	
Direct loan downward reestimates:			
137001	TEACH Grants	-6	
137999	Total downward reestimate budget authority	-6	

The TEACH grant program, authorized by the College Cost Reduction and Access Act of 2007, awards annual grants of up to \$4,000 to full- or part-time undergraduate and graduate students who agree to teach mathematics, science, foreign languages, bilingual education, special education, or reading at a high-poverty school for not less than 4 years within 8 years of graduating. The program began awarding grants in the 2008–2009 award year. Students must have a grade point average of 3.25 or higher to be eligible to receive a grant. Students who fail to fulfill the service requirements must repay the grants, including interest accrued from the time of award.

Because TEACH grants turn into loans in cases where the service requirements are not fulfilled, for budget and accounting purposes the program is operated consistent with the requirements of the Federal Credit Reform Act of 1990. This program account records subsidy costs reflecting the net present value of the estimated lifetime Federal program costs for grants awarded in a given fiscal year. Under this approach the subsidy cost reflects the cost of grant awards net of expected future repayments for grants that are converted to loans.

The 2012 Budget proposes to overhaul the TEACH Grant program, as of the end of the 2011–2012 academic year, and replace it with a new, targeted teacher recruitment and retention program called the Presidential Teaching Fellows. This new program would provide grants to States that meet certain conditions to supply scholarships of up to \$10,000 to talented individuals attending the most effective programs in the State. These individuals would commit to teaching for at least three years in a high-need school and subject. To be eligible for funds, States would measure the effectiveness of their teacher preparation programs based on student achievement data of their graduates, among other measures, hold teacher preparation programs accountable for results, and upgrade licensure and certification standards.

TEACHER EDUCATION ASSISTANCE  
(Legislative proposal, subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 91–0206–4–1–502	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0002	Presidential Teaching Fellows		185
Credit program obligations:			
0701	Direct loan subsidy		-11
0900	Total new obligations (object class 41.0)		174
<b>Budgetary Resources:</b>			
Budget authority:			
Appropriations, mandatory:			
1200	Appropriation (indefinite) - Loan Subsidy		-11
1200	Appropriation Presidential Teaching Fellows		185
1260	Appropriations, mandatory (total)		174
1930	Total budgetary resources available		174
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000	Unpaid obligations, brought forward, Oct 1 (gross)		
3030	Obligations incurred, unexpired accounts		174
3040	Outlays (gross)		-2
Obligated balance, end of year (net):			
3090	Unpaid obligations, end of year (gross)		172

<b>Budget authority and outlays, net:</b>			
Mandatory:			
4090	Budget authority, gross		174
Outlays, gross:			
4100	Outlays from new mandatory authority		2
4180	Budget authority, net (total)		174
4190	Outlays, net (total)		2

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

Identification code 91–0206–4–1–502	2010 actual	CR	2012 est.
Direct loan levels supportable by subsidy budget authority:			
115001	TEACH Grants		-104
115999	Total direct loan levels		-104
Direct loan subsidy (in percent):			
132001	TEACH Grants		3.50
132999	Weighted average subsidy rate		3.50
Direct loan subsidy budget authority:			
133001	TEACH Grants		-11
133999	Total subsidy budget authority		-11
Direct loan subsidy outlays:			
134001	TEACH Grants		-3
134999	Total subsidy outlays		-3

TEACH GRANT FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 91–4290–0–3–502	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0003	Upward Adjustments in prior year obligations	30	
Credit program obligations:			
0710	Direct loan obligations	108	188
0713	Payment of interest to Treasury	7	17
0742	Downward reestimate paid to receipt account		6
0791	Direct program activities, subtotal	115	205
0900	Total new obligations	145	205
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000	Unobligated balance brought forward, Oct 1		
1021	Recoveries of prior year unpaid obligations	33	32
1023	Unobligated balances applied to repay debt	-3	
1024	Unobligated balance of borrowing authority withdrawn		-32
1050	Unobligated balance (total)	30	
Financing authority:			
Borrowing authority, mandatory:			
1400	Borrowing authority	97	184
Spending authority from offsetting collections, mandatory:			
1800	Collected	26	28
1801	Change in uncollected payments, Federal sources	4	6
1825	Spending authority from offsetting collections applied to repay debt	-12	-13
1850	Spending auth from offsetting collections, mand (total)	18	21
1900	Financing authority (total)	115	205
1930	Total budgetary resources available	145	205
Memorandum (non-add) entries:			
1941	Unexpired unobligated balance, end of year		
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000	Unpaid obligations, brought forward, Oct 1 (gross)	46	84
3030	Obligations incurred, unexpired accounts	145	205
3040	Financing disbursements (gross)	-112	-205
3050	Change in uncollected pymts, Fed sources, unexpired	-4	-6
3080	Recoveries of prior year unpaid obligations, unexpired	-33	-32
Obligated balance, end of year (net):			
3090	Unpaid obligations, end of year (gross)	46	84
3091	Uncollected pymts, Fed sources, end of year	-4	-6
3100	Obligated balance, end of year (net)	42	46
<b>Financing authority and disbursements, net:</b>			
Mandatory:			
4090	Financing authority, gross	115	205

**TEACH GRANT FINANCING ACCOUNT—Continued**  
**Program and Financing—Continued**

Identification code 91-4290-0-3-502	2010 actual	CR	2012 est.
Financing disbursements:			
4110 Financing disbursements, gross	112	141	205
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4120 Upward Reestimate	-12		
4120 Upward Reestimate, interest	-1		
4120 Subsidy from Program Account	-9	-17	-19
4122 Interest on uninvested funds	-3		
4123 Payment of Principal	-1	-3	-5
4123 Interest Received		-2	-4
4130 Offsets against gross financing auth and disbursements (total)	-26	-22	-28
Additional offsets against financing authority only (total):			
4140 Change in uncollected pymts, Fed sources, unexpired	-4	-5	-6
4160 Financing authority, net (mandatory)	85	152	171
4170 Financing disbursements, net (mandatory)	86	119	177
4180 Financing authority, net (total)	85	152	171
4190 Financing disbursements, net (total)	86	119	177

**Status of Direct Loans (in millions of dollars)**

Identification code 91-4290-0-3-502	2010 actual	CR	2012 est.
Position with respect to appropriations act limitation on obligations:			
1131 Direct loan obligations exempt from limitation	108	163	188
1150 Total direct loan obligations	108	163	188
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	49	153	278
1231 Disbursements: Direct loan disbursements	104	127	146
1251 Repayments: Repayments and prepayments		-2	-4
1290 Outstanding, end of year	153	278	420

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 the TEACH Grant program. Amounts in this account are a means of financing and are not included in the budget totals.

**Balance Sheet (in millions of dollars)**

Identification code 91-4290-0-3-502	2009 actual	2010 actual
<b>ASSETS:</b>		
1101 Federal assets: Fund balances with Treasury	19	14
Net value of assets related to post-1991 direct loans receivable:		
1401 Direct loans receivable, gross	49	153
1402 Interest receivable		9
1405 Allowance for subsidy cost (-)		-25
1499 Net present value of assets related to direct loans	49	137
1999 Total assets	68	151
<b>LIABILITIES:</b>		
Federal liabilities:		
2101 Accounts payable		1
2103 Debt	68	150
2999 Total liabilities	68	151
4999 Total liabilities and net position	68	151

**TEACH GRANT FINANCING ACCOUNT**  
**(Legislative proposal, subject to PAYGO)**

**Program and Financing (in millions of dollars)**

Identification code 91-4290-4-3-502	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
Credit program obligations:			
0710 Direct loan obligations			-104
0713 Payment of interest to Treasury			-4

0900 Total new obligations			-108
<b>Budgetary Resources:</b>			
Financing authority:			
Borrowing authority, mandatory:			
1400 Borrowing authority			-97
Spending authority from offsetting collections, mandatory:			
1800 Collected			-3
1900 Financing authority (total)			-100
1930 Total budgetary resources available			-100
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year			8

**Change in obligated balance:**

Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)			
3030 Obligations incurred, unexpired accounts			-108
3040 Financing disbursements (gross)			100
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)			-8

**Financing authority and disbursements, net:**

Mandatory:			
4090 Financing authority, gross			-100
Financing disbursements:			
4110 Financing disbursements, gross			-100
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4120 Subsidy from Program Account			3
4160 Financing authority, net (mandatory)			-97
4170 Financing disbursements, net (mandatory)			-97
4180 Financing authority, net (total)			-97
4190 Financing disbursements, net (total)			-97

**Status of Direct Loans (in millions of dollars)**

Identification code 91-4290-4-3-502	2010 actual	CR	2012 est.
Position with respect to appropriations act limitation on obligations:			
1131 Direct loan obligations exempt from limitation			-104
1150 Total direct loan obligations			-104
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year			
1231 Disbursements: Direct loan disbursements			-39
1251 Repayments: Repayments and prepayments			
1290 Outstanding, end of year			-39

**PERKINS LOAN ASSETS**

(Legislative proposal, subject to PAYGO)

**Program and Financing (in millions of dollars)**

Identification code 91-0219-4-1-502	2010 actual	CR	2012 est.
<b>Budgetary Resources:</b>			
Budget authority:			
Spending authority from offsetting collections, mandatory:			
1800 Collected			384
1820 Capital transfer of spending authority from offsetting collections to general fund			-384
1850 Spending auth from offsetting collections, mand (total)			
1930 Total budgetary resources available			
<b>Budget authority and outlays, net:</b>			
Mandatory:			
4090 Budget authority, gross			
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4123 Non-Federal sources			-384
4160 Budget authority, net (mandatory)			-384
4170 Outlays, net (mandatory)			-384
4180 Budget authority, net (total)			-384
4190 Outlays, net (total)			-384

The 2012 Budget proposes to shift the Perkins Loan program to a mandatory direct loan program beginning July 1, 2012, and

account for costs as required by the Federal Credit Reform Act. Details of this proposal are provided under the Student Financial Assistance account; subsidy costs associated with this change are shown in the Federal Perkins Loan program account. Amounts recalled are net of institutional contributions and loan cancellation costs. The Perkins Loan Assets account records amounts recalled from Perkins Loan institutions and subsequent loan repayments on outstanding Perkins Loans.

**STUDENT FINANCIAL ASSISTANCE DEBT COLLECTION**

**Special and Trust Fund Receipts** (in millions of dollars)

Identification code 91-5557-0-2-502	2010 actual	CR	2012 est.
0100 Balance, start of year			
Receipts:			
0220 Student Financial Assistance Debt Collection	9	10	10
0400 Total: Balances and collections	9	10	10
Appropriations:			
0500 Student Financial Assistance Debt Collection	-9	-10	-10
0799 Balance, end of year			

**Program and Financing** (in millions of dollars)

Identification code 91-5557-0-2-502	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0001 Student Financial Assistance Debt Collection	5	5	5
0900 Total new obligations (object class 25.2)	5	5	5
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	13	17	16
1022 Capital transfer of unobligated balances to general fund		-6	-6
1050 Unobligated balance (total)	13	11	10
Budget authority:			
Appropriations, mandatory:			
1201 Appropriation (special fund)	9	10	10
1930 Total budgetary resources available	22	21	20
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	17	16	15
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	1	1	1
3030 Obligations incurred, unexpired accounts	5	5	5
3040 Outlays (gross)	-5	-5	-5
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	1	1	1

**Budget authority and outlays, net:**

Mandatory:			
4090 Budget authority, gross	9	10	10
Outlays, gross:			
4101 Outlays from mandatory balances	5	5	5
4180 Budget authority, net (total)	9	10	10
4190 Outlays, net (total)	5	5	5

**FEDERAL STUDENT LOAN RESERVE FUND**

**Program and Financing** (in millions of dollars)

Identification code 91-4257-0-3-502	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0102 Obligations, non-Federal	11,597	9,868	8,765
0900 Total new obligations (object class 42.0)	11,597	9,868	8,765
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	2,414	2,965	2,622
1022 Capital transfer of unobligated balances to general fund	-438		

1050 Unobligated balance (total)	1,976	2,965	2,622
Budget authority:			
Spending authority from offsetting collections, mandatory:			
1800 Collected	12,586	9,525	8,481
1930 Total budgetary resources available	14,562	12,490	11,103
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	2,965	2,622	2,338
<b>Change in obligated balance:</b>			
3030 Obligations incurred, unexpired accounts	11,597	9,868	8,765
3040 Outlays (gross)	-11,597	-9,868	-8,765

**Budget authority and outlays, net:**

Mandatory:			
4090 Budget authority, gross	12,586	9,525	8,481
Outlays, gross:			
4100 Outlays from new mandatory authority	11,593	9,525	8,481
4101 Outlays from mandatory balances	4	343	284
4110 Outlays, gross (total)	11,597	9,868	8,765
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4120 Federal sources	-11,593	-9,275	-8,223
4123 Non-Federal sources	-993	-250	-258
4130 Offsets against gross budget authority and outlays (total)	-12,586	-9,525	-8,481
4160 Budget authority, net (mandatory)			
4170 Outlays, net (mandatory)	-989	343	284
4180 Budget authority, net (total)			
4190 Outlays, net (total)	-989	343	284

**Summary of Budget Authority and Outlays** (in millions of dollars)

	2010 actual	CR	2012 est.
Enacted/requested:			
Budget Authority			
Outlays	-989	343	284
Legislative proposal, subject to PAYGO:			
Budget Authority			
Outlays			-26
Total:			
Budget Authority			
Outlays	-989	343	258

The Higher Education Amendments of 1998 clarified that reserve funds held by public and non-profit guaranty agencies participating in the Federal Family Education Loan (FFEL) program are Federal property. These reserves are used to pay default claims from FFEL lenders and fees to support agency efforts to avert defaults. The Federal Government reimburses these reserves for default claim payments. The following schedule reflects the balances in these guaranty agency funds.

**Balance Sheet** (in millions of dollars)

Identification code 91-4257-0-3-502	2009 actual	2010 actual
<b>ASSETS:</b>		
1101 Federal assets: Fund balances with Treasury	2,414	2,965
1999 Total assets	2,414	2,965
<b>NET POSITION:</b>		
3300 Cumulative results of operations	2,414	2,965
3999 Total net position	2,414	2,965
4999 Total liabilities and net position	2,414	2,965

**FEDERAL STUDENT LOAN RESERVE FUND**

(Legislative proposal, subject to PAYGO)

**Program and Financing** (in millions of dollars)

Identification code 91-4257-4-3-502	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0102 Obligations, non-Federal			-803
0900 Total new obligations (object class 42.0)			-803

FEDERAL STUDENT LOAN RESERVE FUND—Continued  
Program and Financing—Continued

Identification code 91-4257-4-3-502	2010 actual	CR	2012 est.
<b>Budgetary Resources:</b>			
Budget authority:			
Spending authority from offsetting collections, mandatory:			
1800			Collected .....
			-777
1930			Total budgetary resources available .....
			-777
Memorandum (non-add) entries:			
1941			Unexpired unobligated balance, end of year .....
			26
<b>Change in obligated balance:</b>			
3030			Obligations incurred, unexpired accounts .....
			-803
3040			Outlays (gross) .....
			803
<b>Budget authority and outlays, net:</b>			
Mandatory:			
4090			Budget authority, gross .....
			-777
Outlays, gross:			
4100			Outlays from new mandatory authority .....
			-777
4101			Outlays from mandatory balances .....
			-26
4110			Outlays, gross (total) .....
			-803
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4120			Federal sources .....
			753
4123			Non-Federal sources .....
			24
4130			Offsets against gross budget authority and outlays (total) ....
			777
4160			Budget authority, net (mandatory) .....
4170			Outlays, net (mandatory) .....
			-26
4180			Budget authority, net (total) .....
4190			Outlays, net (total) .....
			-26

FEDERAL DIRECT STUDENT LOAN PROGRAM ACCOUNT  
Program and Financing (in millions of dollars)

Identification code 91-0243-0-1-502	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
Credit program obligations:			
0705			Reestimates of direct loan subsidy .....
	3,273	2,325	
0706			Interest on reestimates of direct loan subsidy .....
	209	457	
0709			Administrative expenses .....
	12		
0900			Total new obligations .....
	3,494	2,782	
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000			Unobligated balance brought forward, Oct 1 .....
	7		
1021			Recoveries of prior year unpaid obligations .....
	5		
1050			Unobligated balance (total) .....
	12		
Budget authority:			
Appropriations, mandatory:			
1200			Appropriation (indefinite) - Upward reestimate .....
	3,482	2,782	
1930			Total budgetary resources available .....
	3,494	2,782	
Memorandum (non-add) entries:			
1941			Unexpired unobligated balance, end of year .....
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000			Unpaid obligations, brought forward, Oct 1 (gross) .....
	12	11	2
3030			Obligations incurred, unexpired accounts .....
	3,494	2,782	
3040			Outlays (gross) .....
	-3,490	-2,791	-2
3080			Recoveries of prior year unpaid obligations, unexpired .....
	-5		
Obligated balance, end of year (net):			
3090			Unpaid obligations, end of year (gross) .....
	11	2	
<b>Budget authority and outlays, net:</b>			
Mandatory:			
4090			Budget authority, gross .....
	3,482	2,782	
Outlays, gross:			
4100			Outlays from new mandatory authority .....
	3,482	2,782	
4101			Outlays from mandatory balances .....
	8	9	2
4110			Outlays, gross (total) .....
	3,490	2,791	2
4180			Budget authority, net (total) .....
	3,482	2,782	

4190	Outlays, net (total) .....	3,490	2,791	2
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Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in millions of dollars)

Identification code 91-0243-0-1-502	2010 actual	CR	2012 est.	
Direct loan levels supportable by subsidy budget authority:				
115001	Stafford .....	34,355	49,631	51,847
115002	Unsubsidized Stafford .....	43,927	60,470	65,971
115003	PLUS .....	13,814	20,080	21,704
115004	Consolidation .....	18,259	19,617	22,810
115999	Total direct loan levels .....	110,355	149,798	162,332
Direct loan subsidy (in percent):				
132001	Stafford .....	8.07	5.25	2.02
132002	Unsubsidized Stafford .....	-17.66	-25.89	-25.77
132003	PLUS .....	-22.28	-30.32	-30.20
132004	Consolidation .....	-3.12	-9.97	-10.96
132999	Weighted average subsidy rate .....	-7.82	-14.08	-15.41
Direct loan subsidy budget authority:				
133001	Stafford .....	2,772	2,606	1,047
133002	Unsubsidized Stafford .....	-7,758	-15,656	-17,001
133003	PLUS .....	-3,078	-6,088	-6,555
133004	Consolidation .....	-570	-1,956	-2,500
133999	Total subsidy budget authority .....	-8,632	-21,094	-25,008
Direct loan subsidy outlays:				
134001	Stafford .....	1,478	2,585	1,335
134002	Unsubsidized Stafford .....	-5,146	-12,150	-14,570
134003	PLUS .....	-2,071	-4,890	-6,004
134004	Consolidation .....	-571	-1,943	-2,487
134999	Total subsidy outlays .....	-6,310	-16,398	-21,726
Direct loan upward reestimates:				
135005	Federal Direct Student Loans .....	3,482	2,782	
135999	Total upward reestimate budget authority .....	3,482	2,782	
Direct loan downward reestimates:				
137005	Federal Direct Student Loans .....	-6,065	-8,471	
137999	Total downward reestimate budget authority .....	-6,065	-8,471	

The Federal Government currently operates two major student loan programs: the Federal Family Education Loan (FFEL) program and the William D. Ford Federal Direct Loan (Direct Loan) program. The Health Care and Education Reconciliation Act of 2010 (HCERA) eliminated the authorization to originate new FFEL loans starting July 1, 2010; all new loans are originated in the Direct Loan program. 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.

From its inception in 1965 through 2010 the FFEL program provided over \$898 billion in loans to postsecondary students and their parents. Since July 1, 1994, the Direct Loan program has provided \$393 billion in new and consolidation loans to students and parents. The Direct Loan program will make over \$124 billion in new loans available in 2012.

Loan capital in the FFEL program was provided by private lenders, facilitated by the Federal guarantee on the loans. For the outstanding FFEL portfolio, State and private nonprofit guaranty agencies act as agents of the Federal Government, providing a variety of services including collection of some defaulted loans, default avoidance activities, and counseling to schools, students, and lenders. The Government provides substantial payments to these guaranty agencies. The Government also pays interest subsidies to lenders for certain borrowers, as well as most costs associated with loan defaults and other write-offs.

Under the Direct Loan program, the Federal Government provides loan capital through the Treasury while loan origination and servicing is handled by private-sector companies under performance-based contracts with the Department. The Direct Loan program began operation in academic year 1994-1995 with 7

percent of overall loan volume but will now originate all future loans.

The Direct Loan and FFEL programs share many basic elements. Interest rates, terms, and conditions are very similar or the same. 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 borrowers at all income levels. Loans can be used only to meet qualified educational expenses.

For Stafford Loans, made on or after July 1, 2010 and before July 1, 2011, the borrower interest rate is fixed at 4.5 percent. The College Cost Reduction and Access Act of 2007 (CCRAA) included a phased interest rate reduction for new Stafford Loans, with fixed rates dropping to 3.4 percent on July 1, 2011, and rising to 6.8 percent on July 1, 2012. Interest payments for these loans are fully subsidized by the Government while a student is in school and during grace and deferment periods.

The Budget proposes to eliminate the availability of subsidized Stafford loans to graduate students beginning in the 2012–2013 academic year. Adopting this Budget proposal would provide additional funding for the fast-growing Pell program, which is well-targeted to needy students.

Borrower interest rates on new Unsubsidized Stafford loans are fixed at 6.8 percent. The fixed borrower interest rate on PLUS loans made on or after July 1, 2006, is 7.9 percent for Direct Loans and 8.5 percent for FFEL.

For loans previously originated in the FFEL program, lenders may receive an interest subsidy, commonly known as a special allowance payment, from the Government to ensure a guaranteed rate of return on the loans. Special allowance payments vary by loan type, determined quarterly, and based on current borrower interest rates and market-yield formulas. For periods when the borrower interest rate exceeds the special allowance rate on loans made on or after April 1, 2006, lenders remit the difference to the government. Special allowance rates differ for for-profit and not-for-profit loan holders. For Stafford and Unsubsidized Stafford loans made on or after October 1, 2007, for example, the Federal Government must pay lenders a special allowance if the average 3-month commercial paper rate for a given quarter plus 1.79 percent for for-profit holders or 1.94 percent for not-for-profit holders is higher than the current interest rate charged to borrowers. The guarantee percentage paid to lenders on most defaults is 95 percent of unpaid loan principal (including any accrued interest on the full loan principal).

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 interest rate for new FFEL and Direct Consolidation loans equals the weighted average of the interest rate on the loans consolidated, rounded up to the nearest one-eighth of one percent. Lenders may choose to offer a lower rate. Interest rates for all new FFEL and Direct Consolidation Loans are capped at 8.25 percent.

In compliance with HCERA, as of July 1, 2010, Direct Loan origination fees have been reduced to 1 percent. Borrowers in both programs may be offered financial incentives to encourage prompt repayment.

Loan limits are also identical across the two programs. Loans made under both programs are discharged when borrowers die, are totally and permanently disabled, or under some circumstances, declare bankruptcy.

Under both programs, new borrowers after October 1, 1998, who are employed as teachers in schools serving low-income

populations for five consecutive, complete school years, qualify for up to \$5,000 in loan forgiveness; this benefit is increased to \$17,500 for mathematics, science, and special education teachers considered highly qualified under criteria established in the Elementary and Secondary Education Act.

In addition, under a loan forgiveness program for public-sector employees, qualifying borrowers who have worked for 10 years while making payments on their student loans will have any remaining loan balance forgiven. This benefit is only available in the Direct Loan program, though FFEL borrowers may receive the benefit by taking out a Direct Consolidation Loan. It is available for all borrowers, regardless of when they took out their loans.

FFEL borrowers may choose from among four repayment plans. Repayment periods under standard, graduated, and income-sensitive repayment may not exceed 10 years. An extended repayment plan of up to 25 years is available for new borrowers with outstanding loans totaling more than \$30,000. FFEL borrowers may change repayment plans annually. Borrowers under Direct Loans may choose from the same repayment plans available in FFEL, except that instead of the income-sensitive repayment plan an income-contingent repayment is available (with terms similar to the new income-based repayment plan). Direct Loan borrowers may switch between repayment plans at any time.

In addition, since July 1, 2009, qualifying student borrowers may choose an income-based repayment plan under which monthly loan payments (except Parent PLUS) are based on the borrower's income and outstanding balances, if any, are forgiven after 25 years in repayment. (In the first three years, an interest subsidy is available for Stafford Loans and the Stafford portion of Consolidation Loans.) Monthly loan payments can be up to 15 percent of a borrower's prior-year income. (Payments cannot exceed the amount calculated under the Standard 10-year repayment option.) Beginning July 1, 2014, new loans will be eligible for a reduced maximum assessment rate of 10 percent of prior-year income with a maximum of 20 years in repayment.

The following tables display performance indicators and program data; including projected overall Direct Loan and FFEL costs; loan volume, number of loans, and average loan amount; descriptive data, and program activity assuming enactment of the President's Budget and legislative proposals.

**Federal Budget Authority and Outlays**

	(in thousands of dollars)		
	2010 actual	2011 est.	2012 est.
Program Cost:			
FFEL:			
Liquidating <sup>1</sup> .....	(261,950)	(221,028)	(147,659)
Program:			
New Loan Subsidies (Privately Funded) .....	(91,833)	0	0
New Loan Subsidies (ECASLA) .....	(1,609,581)	0	(1,700,406)
Net Reestimate of Prior Year Costs .....	(7,402,632)	(24,492,933)	0
Net Modification <sup>2</sup> .....	0	0	(409,022)
Subtotal, Program .....	(9,104,047)	(24,492,933)	(2,109,428)
Total FFEL .....	(9,365,997)	(24,713,961)	(2,257,087)
Direct Loans:			
Program:			
New Loan Subsidies .....	(8,632,537)	(21,094,226)	(27,222,693)
Net Reestimate of Prior Year Costs .....	(2,583,230)	(5,689,291)	0
Net Modification <sup>2</sup> .....	0	0	0
Total, Direct Loans .....	(11,215,767)	(26,783,518)	(27,222,693)
Total, FFEL and Direct Loans .....	(20,581,764)	(51,497,479)	(29,479,780)
Program Cost Outlays:			
FFEL:			
Liquidating <sup>1</sup> .....	(318,583)	(221,028)	(147,659)
Program:			
New Loan Subsidies (Privately Funded) .....	(602,757)	0	0
New Loan Subsidies (ECASLA) .....	(4,109,547)	0	(1,700,406)
Net Reestimate of Prior Year Costs .....	(7,402,632)	(24,492,933)	0

FEDERAL DIRECT STUDENT LOAN PROGRAM ACCOUNT—Continued  
Federal Budget Authority and Outlays —Continued

	2010 actual	2011 est.	2012 est.
Net Modification <sup>2</sup> .....	0	0	(409,022)
Subtotal, Program .....	(12,114,936)	(24,492,933)	(2,109,428)
Total, FFEL .....	(12,433,519)	(24,713,961)	(2,257,087)
Direct Loans:			
Program:			
Regular .....	(6,309,874)	(16,397,856)	(22,710,562)
Net Reestimate of Prior Year Costs .....	(2,583,230)	(5,689,291)	0
Net Modification <sup>2</sup> .....	0	0	0
Total, Direct Loans .....	(8,893,104)	(22,087,148)	(22,710,562)
Total, FFEL and Direct Loans .....	(21,326,623)	(46,801,109)	(24,967,649)

<sup>1</sup>Liquidating account reflects loans made prior to 1992.

<sup>2</sup>Reflects the cost or savings associated with policy changes, including those contained in the Ensuring Continued Access to Student Loans Act of 2008 (ECASLA) and the Higher Education Opportunity Act of 2008, that would affect the terms of existing loans.

Loan Volumes by Program, Including Ensuring Continued Access to Student Loans Act

(in millions of dollars)

	2009–2010	2010–2011
Direct Loans .....	40,302	111,688
Loan Participation Purchase Program (ECASLA) .....	38,135	—
Loan Purchase Program (ECASLA) .....	20,975	—
Asset-Backed Commercial Paper Conduit (ECASLA) .....	—	—
Subtotal, Federally Funded .....	99,413	111,688
FFEL (Privately Funded) .....	696	—
Total, New Student Loan Volume .....	100,109	111,688

Summary of Loans Available

(net commitments in millions of dollars)

	2010 actual	2011 est.	2012 est.
FFEL: <sup>1</sup>			
Stafford .....	7,815	0	0
Unsubsidized Stafford .....	9,810	0	0
PLUS .....	1,993	0	0
Subtotal .....	19,618	0	0
Consolidation .....	79	0	0
Total, FFEL .....	19,697	0	0
Direct Loans:			
Stafford .....	32,744	44,509	38,488
Unsubsidized Stafford .....	37,451	52,726	65,442
PLUS .....	14,508	18,863	20,388
Subtotal .....	84,703	116,098	124,318
Consolidation .....	17,079	19,538	22,717
Total, Direct Loans .....	101,782	135,636	147,035
Total, All Loans .....	121,479	135,636	147,035

<sup>1</sup>Includes privately-held guaranteed loans and Department-held loans from the Ensuring Continued Access to Student Loans Act, and those in the proposed Student Loan Acquisition account.

Number of Loans

(in thousands)

	2010 actual	2011 est.	2012 est.
FFEL: <sup>1</sup>			
Stafford .....	2,438	0	0
Unsubsidized Stafford .....	2,547	0	0
PLUS .....	235	0	0
Subtotal .....	5,220	0	0
Consolidation .....	2	0	0
Total, FFEL .....	5,222	0	0
Direct Loans:			
Stafford .....	7,756	10,992	10,375
Unsubsidized Stafford .....	7,754	11,196	13,132
PLUS .....	1,137	1,540	1,617
Subtotal .....	16,647	23,728	25,124
Consolidation .....	492	538	609
Total, Direct Loans .....	17,139	24,266	25,733
Total, All Loans .....	22,361	24,266	25,733

<sup>1</sup>Includes privately-held guaranteed loans and Department-held loans from the Ensuring Continued Access to Student Loans Act, and those in the proposed Student Loan Acquisition account.

Average Loan Size (in whole dollars)

	2010 actual	2011 est.	2012 est.
FFEL: <sup>1</sup>			
Stafford .....	3,205	0	0
Unsubsidized Stafford .....	3,852	0	0
PLUS .....	8,484	0	0
Weighted Average, without Consolidations .....	3,758	0	0
Consolidation .....	33,431	0	0
Weighted Average, FFEL .....	3,771	0	0
Direct Loans:			
Stafford .....	4,222	4,049	3,710
Unsubsidized Stafford .....	4,830	4,709	4,984
PLUS .....	12,762	12,251	12,610
Weighted Average, without Consolidations .....	5,088	4,893	4,948
Consolidation .....	34,745	36,338	37,323
Weighted Average, Direct Loans .....	5,939	5,590	5,714
Weighted Average, All Loans .....	5,433	5,590	5,714

<sup>1</sup>Includes privately-held guaranteed loans and Department-held loans from the Ensuring Continued Access to Student Loans Act, and those in the proposed Student Loan Acquisition account.

Summary of Default Rates<sup>1</sup>

(expressed as percentages)

	2010 est. <sup>2</sup>	2011 est.	2012 est.
FFEL:			
Stafford .....	22.30	N/A	N/A
Unsubsidized Stafford .....	23.29	N/A	N/A
PLUS .....	7.93	N/A	N/A
Consolidation .....	26.83	N/A	N/A
Weighted Average, FFEL .....	21.36	N/A	N/A
Direct Loans:			
Stafford .....	16.00	16.89	19.06
Unsubsidized Stafford .....	15.45	16.45	15.10
PLUS .....	7.83	7.82	7.69
Consolidation .....	23.22	21.44	19.79
Weighted Average, Direct Loans .....	15.85	16.11	15.83

<sup>1</sup>Default rates displayed in this table, which reflect projected defaults over the life of a loan cohort, are used in developing program cost estimates. The Department uses other rates based on defaults occurring in the first two years of repayment to determine institutional eligibility to participate in Federal loan programs. (The Higher Education Opportunity Act of 2008 changed this requirement to a three-year rate.) These two- and three-year rates tend to be lower than those included in this table.

<sup>2</sup>FFEL data represents activity for the first 9 months. Beginning in Award Year 2010–2011 all new loans will be made under the Direct Loan program.

FFEL program payments are made to lenders (interest subsidies, loan defaults, and discharges) and guaranty agencies (default collection costs, administrative services). These payments are partially offset by borrower origination fees and lender fees for originations and an annual consolidation loan holder fee. In Direct Loans, cash outflows are primarily payments to Treasury. Cash inflows include principal and interest payments on outstanding Direct Loans.

The following table shows Government payments to and from lenders, guaranty agencies, and borrowers for specific years, regardless of when loans were originated. These flows do not reflect long-term costs to the Government, nor the value of outstanding loan assets: these are reflected in credit reform subsidy estimates. For example, defaulted FFEL loans that are repaid through consolidation produce cash revenue in the current year as the underlying loans are paid off, which is included in the table. But these consolidations also incur estimated future costs — such as subsequent re-defaults, loan discharges, and lender interest subsidy payments — that are not reflected.

The Federal Credit Reform Act of 1990 accounts for differences in the amount and timing of cash flows among direct and guaranteed loan programs to make cost estimates for these programs comparable with each other and other Federal programs.



**Selected Program Costs and Offsets**

(in thousands of dollars)

	2010 actual	2011 est.	2012 est.
<b>FFEL:</b>			
Payments to lenders			
Interest benefits .....	4,028,925	2,027,157	1,312,134
Special allowance payments <sup>1</sup> .....	(9,405,586)	(6,287,845)	(4,482,014)
Default claims .....	9,663,437	8,267,650	6,923,012
Loan discharges .....	1,929,840	1,146,000	959,547
Teacher loan forgiveness .....	126,559	213,217	220,524
Administrative payments to guaranty agencies .....	512,944	241,763	218,336
Fees paid to the Department of Education			
Borrower origination fees .....	(550,686)	—	—
Lender origination fees .....	(623,223)	—	—
Loan holder fees .....	(2,261,897)	(1,968,923)	(1,751,919)
Other Major Transactions			
Net default collections .....	(6,858,698)	(7,179,163)	(7,342,442)
Contract collection costs .....	67,707	62,869	56,602
Federal administrative costs .....	156,550	77,272	74,668
Net Cash Flow, FFEL .....	(3,258,554)	(3,400,004)	(3,811,552)
Ensuring Continued Access to Student Loans (ECASLA)			
Inflows .....	(4,982,297)	(8,621,715)	(14,752,672)
Outflows .....	10,104,574	8,953,340	15,889,659
Federal administrative costs .....	152,874	163,130	202,669
Net Cash Flow, ECASLA .....	5,275,151	494,755	1,339,656
Direct Loans			
Loan disbursements to borrowers .....	75,227,286	134,359,858	145,939,720
Borrower interest payments .....	(2,756,341)	(5,006,550)	(7,691,242)
Borrower principal payments .....	(8,603,251)	(15,226,542)	(23,592,050)
Borrower origination fees .....	(1,012,516)	(1,788,929)	(1,819,879)
Net default collections .....	(1,102,151)	(2,541,151)	(3,039,898)
Contract collection costs .....	263,024	233,446	279,664
Federal administrative costs .....	511,213	618,178	789,344
Net operating cash flows .....	62,527,264	110,648,310	110,865,659
Loan capital borrowings from Treasury .....	(75,227,286)	(134,359,858)	(145,939,720)
Net interest payments to Treasury .....	7,852,010	14,828,702	21,128,854
Principal payments to Treasury .....	10,086,612	14,165,632	13,872,482
Subtotal Treasury activity .....	(57,288,665)	(105,365,524)	(110,938,384)
Net Cash Flow, Direct Loans .....	5,238,600	5,282,785	(72,726)

Details may not sum to totals due to rounding.

<sup>1</sup>Includes Negative Special Allowance Payments.

**Student Loan Program Costs: Comparative Analysis including Program and Administrative Expenses**

(expressed as percentages)

	2010 actual <sup>1</sup>	2011 est. <sup>2</sup>	2012 est.
<b>FFEL</b>			
New Loans			
Stafford .....	0.29	0.00	0.00
Unsubsidized Stafford .....	-4.58	0.00	0.00
PLUS .....	-5.34	0.00	0.00
Subtotal, new loan subsidy .....	-2.73	0.00	0.00
Federal administrative costs .....	0.55	0.00	0.00
Subtotal, new loans .....	-2.18	0.00	0.00
Consolidation Loans			
Loan subsidy .....	-4.92	0.00	0.00
Federal administrative costs .....	0.04	0.00	0.00
Subtotal, consolidation loans .....	-4.88	0.00	0.00
New and Consolidation Loans			
Loan subsidy .....	-2.74	0.00	0.00
Federal administrative costs .....	0.54	0.00	0.00
Total, FFEL .....	-2.20	0.00	0.00
Direct Loans			
New Loans			
Stafford .....	1.71	5.25	3.20
Unsubsidized Stafford .....	-29.29	-25.89	-26.18
PLUS .....	-32.16	-30.32	-30.20
Subtotal, new loan subsidy .....	-17.80	-14.70	-17.72
Federal administrative costs .....	1.77	1.79	1.78
Subtotal, new loans .....	-16.03	-12.91	-15.94
Consolidation Loans			

Loan subsidy .....	-2.04	-9.97	-10.96
Federal administrative costs .....	0.38	0.38	0.38
Subtotal, consolidation loans .....	-1.66	-9.59	-10.58
<b>New and Consolidation Loans</b>			
Loan subsidy .....	-15.36	-14.08	-16.77
Federal administrative costs .....	1.54	1.61	1.58
Total, Direct Loans .....	-13.82	-12.47	-15.19

Totals may not add due to rounding. Subsidies are weighted on Gross Volumes.

<sup>1</sup>FFEL data represents activity for the first 9 months. New loans in the final 3 months were Direct Loans. Amounts reflect only privately-held guaranteed loans.

<sup>2</sup>All activity will be Direct Loans for the entire cohort of 2011.

Notes: For 2010, the rates are current; these include the actual executed rates for 2010 and the effect of re-estimates on those rates. Under ECASLA and the 2012 Budget proposal there exist FFEL direct loans which record the costs of FFEL loans held by the Department. Those rates are not included in the Guaranteed rates in this table.

The chart above compares total FFEL and Direct Loan costs on a subsidy rate basis: program costs calculated under the Federal Credit Reform Act of 1990 and comparably projected estimates of Federal administrative costs, including expenses related to FFEL program oversight and servicing the Direct Loan portfolio. As with any long-term projection, the comparison is based on assumed future interest rates, borrower characteristics, administrative costs, and other factors over the life of the loan cohort. To the degree actual conditions differ from projections, estimated subsidy rates will change.

**Consolidation Loan Subsidy Rates and Loan Volume**

(expressed as percentages)

	2010 actual <sup>1</sup>	2011 est. <sup>2</sup>	2012 est.
<b>Subsidy Rates</b>			
<b>FFEL</b>			
Not from default .....	-5.48	0.00	0.00
From default .....	-3.38	0.00	0.00
Total .....	-4.92	0.00	0.00
<b>Direct Loans</b>			
Not from default .....	-7.84	-16.30	-16.62
From default .....	17.22	13.79	13.36
Total .....	-2.04	-9.97	-10.96
<b>Percent of Loan Volume</b>			
<b>FFEL</b>			
Not from default .....	73.42	0.00	0.00
From default .....	26.58	0.00	0.00
Total .....	100.00	0.00	0.00
<b>Direct Loans</b>			
Not from default .....	77.03	78.84	80.99
From default .....	22.97	21.16	19.01
Total .....	100.00	100.00	100.00

<sup>1</sup>FFEL data represents activity for the first 9 months. New loans in the final 3 months were Direct Loans. Amounts reflect only privately-held guaranteed loans.

<sup>2</sup>All activity will be Direct Loans for the entire cohort of 2011.

**Student Loan Program Costs: Comparative Analysis Including Program and Administrative Activities**

(expressed as percentages)

	2010 actual <sup>1</sup>	2011 est. <sup>2</sup>	2012 est. <sup>2</sup>
<b>FFEL</b>			
Program costs: <sup>3</sup>			
Interest subsidies .....	-1.74	0.00	0.00
Net defaults .....	0.05	0.00	0.00
Fees .....	-1.56	0.00	0.00
Other .....	0.52	0.00	0.00
Total .....	-2.73	0.00	0.00
Federal administrative costs .....	0.54	0.00	0.00
Total .....	-2.19	0.00	0.00
<b>Direct Loans</b>			
Program costs: <sup>3</sup>			
Interest subsidies .....	-23.10	-21.05	-24.15
Net defaults .....	1.60	1.54	1.60

FEDERAL DIRECT STUDENT LOAN PROGRAM ACCOUNT—Continued  
Student Loan Program Costs: Comparative Analysis Including Program and Administrative Activities—Continued

	2010 actual <sup>1</sup>	2011 est. <sup>2</sup>	2012 est. <sup>2</sup>
Fees .....	-1.52	-1.27	-1.26
Other .....	7.86	6.79	7.12
Total .....	-15.16	-13.99	-16.69
Federal administrative costs .....	1.54	1.61	1.58
Total .....	-13.62	-12.38	-15.11

Totals may not add due to rounding. Subsidies are weighed on Net Volumes.

<sup>1</sup>FFEL data represents activity for the first 9 months. New loans in the final 3 months were Direct Loans. Amounts reflect only privately-held guaranteed loans.

<sup>2</sup>All activity will be Direct Loans for the entire cohort of 2011.

<sup>3</sup>Fees primarily reflect borrower obligation fees and, in FFEL, lender origination and consolidation loan holder fees. Other primarily reflects loan discharges due to death, disability, or bankruptcy; contract collection costs; loan forgiveness; and Direct Loan interest rate rebates.

Notes: For 2010, the rates are the most current; these include the actual executed rates for 2010 and the effect of re-estimates on those rates. Under ECASLA and the 2012 Budget proposal there exist FFEL direct loans which record the costs of FFEL loans held by the Department. Those rates are not included in the Guaranteed rates in this table.

The Federal Credit Reform Act of 1990 requires the cost of existing loan cohorts to be reestimated to reflect changes in actual and assumed borrower behavior, interest rates, and other factors. The following table shows the impact of these reestimates in FFEL and Direct Loans.

Loan Disbursement and Subsidy Costs

(amounts in billions)

	FFEL	Direct Loans
Original Subsidy Costs .....	+\$77.1	-\$10.1
Cumulative Reestimates .....	-\$34.0	+\$4.3
Net Subsidy Costs .....	+\$43.1	-\$5.8
Total Disbursements .....	+\$898.7	\$393.8

Changes in interest rate projections are a significant factor in FFEL and Direct Loan reestimates; recent declines in interest rates below historical averages have accordingly been a major driver in changes to program costs. Changes in borrower behavior (notably, prepayment of loans through consolidation and reduction in defaults) have also contributed to these reestimates.

Direct Loan Repayment Options

(expressed as percentages)

Subsidies by Repayment Option	2010 actual <sup>1</sup>	2011 est.	2012 est.
<b>Stafford</b>			
Standard .....	2.33	5.05	3.24
Extended .....	-4.73	5.46	1.05
Graduated .....	-4.29	6.25	1.87
ICR/IBR .....	8.26	12.60	14.07
<b>Unsubsidized Stafford</b>			
Standard .....	-27.46	-25.18	-25.48
Extended .....	-47.92	-36.40	-36.64
Graduated .....	-47.82	-35.86	-36.32
ICR/IBR .....	8.06	12.38	13.83
<b>PLUS<sup>2</sup></b>			
Standard .....	-28.33	-27.72	-27.60
Extended .....	-53.95	-45.00	-44.84
Graduated .....	-55.61	-46.21	-46.12
<b>Consolidated From Default</b>			
Standard .....	12.60	6.85	6.20
Extended .....	3.39	-7.81	-8.45
Graduated .....	10.50	0.22	-0.58
ICR/IBR .....	18.66	16.26	15.87
<b>Consolidated Not From Default</b>			
Standard .....	-8.99	-14.28	-14.22
Extended .....	-12.99	-24.90	-24.72
Graduated .....	-12.16	-24.70	-24.64
ICR/IBR .....	28.18	29.86	25.04

Direct Loan Repayment Options

(gross volumes in millions)

Volumes by Repayment Option	2010 actual <sup>1</sup>	2011 est.	2012 est.
<b>Stafford</b>			
Standard .....	32,424	43,924	38,186

Extended .....	925	1,253	1,089
Graduated .....	2,853	3,865	3,360
ICR/IBR .....	435	589	512
<b>Unsubsidized Stafford</b>			
Standard .....	37,422	52,695	65,069
Extended .....	1,343	1,891	2,335
Graduated .....	3,575	5,034	6,216
ICR/IBR .....	604	850	1,050
<b>PLUS<sup>2</sup></b>			
Standard .....	13,228	17,217	18,610
Extended .....	486	633	684
Graduated .....	1,713	2,229	2,410
<b>Consolidated From Default</b>			
Standard .....	177	184	192
Extended .....	169	176	184
Graduated .....	255	265	276
ICR/IBR .....	3,397	3,526	3,683
<b>Consolidated Not From Default</b>			
Standard .....	4,940	5,700	6,809
Extended .....	3,891	4,482	5,354
Graduated .....	3,448	3,976	4,749
ICR/IBR .....	1,128	1,308	1,562

<sup>1</sup>2010 rates are current; these include actual executed rates for 2010 and the effect of re-estimates on those rates.

<sup>2</sup>ICR/IBR are not available repayment options for PLUS loans.

Object Classification (in millions of dollars)

Identification code 91-0243-0-1-502	2010 actual	CR	2012 est.
<b>Direct obligations:</b>			
25.7 Operation and maintenance of equipment .....	12		
41.0 Grants, subsidies, and contributions .....	3,482	2,782	
99.9 Total new obligations .....	3,494	2,782	

FEDERAL DIRECT STUDENT LOAN PROGRAM ACCOUNT

(Legislative proposal, subject to PAYGO)

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

Identification code 91-0243-4-1-502	2010 actual	CR	2012 est.
<b>Direct loan levels supportable by subsidy budget authority:</b>			
115001 Stafford .....			-8,699
115002 Unsubsidized Stafford .....			8,699
<b>Direct loan subsidy (in percent):</b>			
132001 Stafford .....			1.18
132002 Unsubsidized Stafford .....			-0.41
132999 Weighted average subsidy rate .....			-1.36
<b>Direct loan subsidy budget authority:</b>			
133001 Stafford .....			333
133002 Unsubsidized Stafford .....			-2,548
133999 Total subsidy budget authority .....			-2,215
<b>Direct loan subsidy outlays:</b>			
134001 Stafford .....			265
134002 Unsubsidized Stafford .....			-1,249
134999 Total subsidy outlays .....			-984

FEDERAL DIRECT STUDENT LOAN PROGRAM FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 91-4253-0-3-502	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0003 Upward adjustment in prior year obligations .....	5,786		
0201 Interest rate rebate, Stafford .....	144	280	231
0202 Interest rate rebate, Unsubsidized Stafford .....	199	327	282
0203 Interest rate rebate, PLUS .....	175	245	298
0291 Subtotal .....	518	852	811
0301 Consolidation loans—Payment of Orig. Services .....	26	47	51
0401 Payment of contract collection costs .....	263	233	280
<b>Credit program obligations:</b>			
0710 Direct loan obligations .....	110,355	149,798	162,332
0713 Payment of interest to Treasury .....	10,514	14,829	21,110
0740 Negative subsidy obligations .....	8,633	21,094	25,008
0742 Downward reestimate paid to receipt account .....	4,449	7,949	
0743 Interest on downward reestimates .....	1,616	522	

0791	Direct program activities, subtotal .....	135,567	194,192	208,450
0900	Total new obligations .....	142,160	195,324	209,592
<b>Budgetary Resources:</b>				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1 .....	1,123	2,334	.....
1021	Recoveries of prior year unpaid obligations .....	3,061	4,711	4,080
1023	Unobligated balances applied to repay debt .....	-1,616	-2,334	.....
1024	Unobligated balance of borrowing authority withdrawn .....	-968	-4,711	-4,080
1050	Unobligated balance (total) .....	1,600	.....	.....
Financing authority:				
Borrowing authority, mandatory:				
1400	Borrowing authority .....	129,880	179,363	187,340
Spending authority from offsetting collections, mandatory:				
1800	Collected .....	19,619	27,345	36,143
1825	Spending authority from offsetting collections applied to repay debt .....	-6,605	-11,384	-13,891
1850	Spending auth from offsetting collections, mand (total) .....	13,014	15,961	22,252
1900	Financing authority (total) .....	142,894	195,324	209,592
1930	Total budgetary resources available .....	144,494	195,324	209,592
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year .....	2,334	.....	.....

<b>Change in obligated balance:</b>				
Obligated balance, start of year (net):				
3000	Unpaid obligations, brought forward, Oct 1 (gross) .....	15,618	55,289	71,564
3030	Obligations incurred, unexpired accounts .....	142,160	195,324	209,592
3040	Financing disbursements (gross) .....	-99,428	-174,338	-189,119
3080	Recoveries of prior year unpaid obligations, unexpired .....	-3,061	-4,711	-4,080
Obligated balance, end of year (net):				
3090	Unpaid obligations, end of year (gross) .....	55,289	71,564	87,957

<b>Financing authority and disbursements, net:</b>				
Mandatory:				
4090	Financing authority, gross .....	142,894	195,324	209,592
Financing disbursements:				
4110	Financing disbursements, gross .....	99,428	174,338	189,119
Offsets against gross financing authority and disbursements:				
Offsetting collections (collected) from:				
4120	Upward reestimate .....	-3,273	-2,325	.....
4120	Upward reestimate, interest .....	-209	-457	.....
4122	Interest on uninvested funds .....	-2,662	.....	.....
4123	Repayment of principal, Stafford .....	-2,485	-4,133	-6,549
4123	Interest received on loans, Stafford .....	-463	-830	-1,344
4123	Origination Fees, Stafford .....	-389	-486	-461
4123	Other fees, Stafford .....	-28	.....	.....
4123	Repayment of principal, Unsubsidized Stafford .....	-2,204	-4,494	-7,825
4123	Interest received on loans, Unsubsidized Stafford .....	-577	-933	-1,790
4123	Origination Fees, Unsubsidized Stafford .....	-459	-568	-565
4123	Other fees, Unsubsidized Stafford .....	-16	.....	.....
4123	Repayment of principal, PLUS .....	-1,335	-2,824	-4,639
4123	Interest received on loans, PLUS .....	-470	-973	-1,659
4123	Origination Fees, PLUS .....	-164	-735	-794
4123	Other fees, PLUS .....	-7	.....	.....
4123	Payment of principal, Consolidation .....	-3,191	-5,643	-6,818
4123	Interest received on loans, Consolidation .....	-1,643	-2,944	-3,699
4123	Other fees, Consolidation .....	-44	.....	.....
4130	Offsets against gross financing auth and disbursements (total) .....	-19,619	-27,345	-36,143
4160	Financing authority, net (mandatory) .....	123,275	167,979	173,449
4170	Financing disbursements, net (mandatory) .....	79,809	146,993	152,976
4180	Financing authority, net (total) .....	123,275	167,979	173,449
4190	Financing disbursements, net (total) .....	79,809	146,993	152,976

**Status of Direct Loans (in millions of dollars)**

Identification code 91-4253-0-3-502	2010 actual	CR	2012 est.	
<b>STAFFORD</b>				
Position with respect to appropriations act limitation on obligations:				
1131	Direct loan obligations exempt from limitation .....	34,355	49,631	51,847
1150	Total direct loan obligations .....	34,355	49,631	51,847
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year .....	36,750	57,692	97,473
1231	Disbursements: Direct loan disbursements .....	22,334	44,039	46,115
1251	Repayments: Repayments and prepayments .....	-2,485	-4,133	-6,549
1261	Adjustments: Capitalized interest .....	234	.....	.....
1264	Write-offs for default: Other adjustments, net (+ or -) .....	859	-125	-145
1290	Outstanding, end of year .....	57,692	97,473	136,894

<b>UNSUBSIDIZED STAFFORD</b>				
Position with respect to appropriations act limitation on obligations:				
1131	Direct loan obligations exempt from limitation .....	43,927	60,470	65,971
1150	Total direct loan obligations .....	.....	.....	.....
1150	Total direct loan obligations .....	43,927	60,470	65,971
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year .....	33,622	59,487	108,046
1231	Disbursements: Direct loan disbursements .....	26,308	51,560	56,469
1251	Repayments: Repayments and prepayments .....	-2,204	-4,494	-7,825
1261	Adjustments: Capitalized interest .....	876	1,605	3,315
1264	Write-offs for default: Other adjustments, net (+ or -) .....	885	-112	-144
1290	Outstanding, end of year .....	59,487	108,046	159,861

<b>PLUS</b>				
Position with respect to appropriations act limitation on obligations:				
1131	Direct loan obligations exempt from limitation .....	13,814	20,080	21,704
1150	Total direct loan obligations .....	.....	.....	.....
1150	Total direct loan obligations .....	13,814	20,080	21,704
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year .....	11,103	19,864	35,531
1231	Disbursements: Direct loan disbursements .....	9,686	18,369	19,854
1251	Repayments: Repayments and prepayments .....	-1,335	-2,824	-4,639
1261	Adjustments: Capitalized interest .....	114	176	471
1264	Write-offs for default: Other adjustments, net (+ or -) .....	296	-54	-74
1290	Outstanding, end of year .....	19,864	35,531	51,143

<b>CONSOLIDATION</b>				
Position with respect to appropriations act limitation on obligations:				
1131	Direct loan obligations exempt from limitation .....	18,259	19,617	22,810
1150	Total direct loan obligations .....	.....	.....	.....
1150	Total direct loan obligations .....	18,259	19,617	22,810
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year .....	67,962	83,479	97,151
1231	Disbursements: Direct loan disbursements .....	16,381	19,539	22,703
1251	Repayments: Repayments and prepayments .....	-3,191	-5,643	-6,818
1261	Adjustments: Capitalized interest .....	1,084	.....	.....
1264	Write-offs for default: Other adjustments, net (+ or -) .....	1,243	-224	-250
1290	Outstanding, end of year .....	83,479	97,151	112,786

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 Federal Direct Student Loans. The amounts in this account are a means of financing and are not included in the budget totals.

**Balance Sheet (in millions of dollars)**

Identification code 91-4253-0-3-502	2009 actual	2010 actual	
<b>ASSETS:</b>			
Federal assets:			
1101	Fund balances with Treasury .....	7,206	10,369
Investments in US securities:			
1106	Receivables, net .....	275	2,850
1206	Non-Federal assets: Receivables, net .....	7	4
Net value of assets related to post-1991 direct loans receivable:			
1401	Direct loans receivable, gross .....	149,437	220,522
1402	Interest receivable .....	7,370	9,655
1405	Allowance for subsidy cost (-) .....	-4,036	-1,969
1499	Net present value of assets related to direct loans .....	152,771	228,208
1999	Total assets .....	160,259	241,431
<b>LIABILITIES:</b>			
Federal liabilities:			
2101	Accounts payable .....	4,897	145
2103	Debt .....	154,218	237,190
2201	Non-Federal liabilities: Accounts payable .....	1,144	4,096
2999	Total liabilities .....	160,259	241,431

FEDERAL DIRECT STUDENT LOAN PROGRAM FINANCING ACCOUNT—Continued  
Balance Sheet—Continued

Identification code 91-4253-0-3-502	2009 actual	2010 actual
4999 Total liabilities and net position .....	160,259	241,431

FEDERAL DIRECT STUDENT LOAN PROGRAM FINANCING ACCOUNT  
(Legislative proposal, subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 91-4253-4-3-502	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
Credit program obligations:			
0713 Payment of interest to Treasury .....			19
0740 Negative subsidy obligations .....			2,215
0900 Total new obligations .....			2,234
<b>Budgetary Resources:</b>			
Financing authority:			
Borrowing authority, mandatory:			
1400 Borrowing authority .....			2,215
Spending authority from offsetting collections, mandatory:			
1825 Spending authority from offsetting collections applied to repay debt .....			19
1900 Financing authority(total) .....			2,234
1930 Total budgetary resources available .....			2,234
<b>Change in obligated balance:</b>			
3030 Obligations incurred, unexpired accounts .....			2,234
3040 Financing disbursements (gross) .....			-991
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross) .....			1,243
<b>Financing authority and disbursements, net:</b>			
Mandatory:			
4090 Financing authority, gross .....			2,234
Financing disbursements:			
4110 Financing disbursements, gross .....			991
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4123 Repayment of principal, Stafford .....			1
4123 Origination Fees, Stafford .....			41
4123 Repayment of principal, Unsubsidized Stafford .....			-1
4123 Origination Fees, Unsubsidized Stafford .....			-41
4130 Offsets against gross financing auth and disbursements (total) .....			
4160 Financing authority, net (mandatory) .....			2,234
4170 Financing disbursements, net (mandatory) .....			991
4180 Financing authority, net (total) .....			2,234
4190 Financing disbursements, net (total) .....			991

Status of Direct Loans (in millions of dollars)

Identification code 91-4253-4-3-502	2010 actual	CR	2012 est.
<b>STAFFORD</b>			
Position with respect to appropriations act limitation on obligations:			
1131 Direct loan obligations exempt from limitation .....			-8,699
1150 Total direct loan obligations .....			-8,699
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year .....			
1231 Disbursements: Direct loan disbursements .....			-4,132
1251 Repayments: Repayments and prepayments .....			1
1264 Write-offs for default: Other adjustments, net (+ or -) .....			1
1290 Outstanding, end of year .....			-4,130
<b>UNSUBSIDIZED STAFFORD</b>			
Position with respect to appropriations act limitation on obligations:			
1131 Direct loan obligations exempt from limitation .....			8,699
1150 Total direct loan obligations .....			
1150 Total direct loan obligations .....			8,699
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year .....			

1231 Disbursements: Direct loan disbursements .....			4,120
1251 Repayments: Repayments and prepayments .....			-1
1261 Adjustments: Capitalized interest .....			
1264 Write-offs for default: Other adjustments, net (+ or -) .....			-1
1290 Outstanding, end of year .....			4,118

FEDERAL FAMILY EDUCATION LOAN PROGRAM ACCOUNT

Program and Financing (in millions of dollars)

Identification code 91-0231-0-1-502	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
Credit program obligations:			
0705 Reestimates of direct loan subsidy .....	3,955	29	
0706 Interest on reestimates of direct loan subsidy .....	183	1	
0707 Reestimates of loan guarantee subsidy .....	130	78	
0708 Interest on reestimates of loan guarantee subsidy .....	6	69	
0900 Total new obligations (object class 41.0) .....	4,274	177	
<b>Budgetary Resources:</b>			
Budget authority:			
Appropriations, mandatory:			
1200 Appropriation .....	4,274	177	
1930 Total budgetary resources available .....	4,274	177	
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross) .....			
3030 Obligations incurred, unexpired accounts .....	4,274	177	
3040 Outlays (gross) .....	-4,274	-177	
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross) .....			
<b>Budget authority and outlays, net:</b>			
Mandatory:			
4090 Budget authority, gross .....	4,274	177	
Outlays, gross:			
4100 Outlays from new mandatory authority .....	4,274	177	
4180 Budget authority, net (total) .....	4,274	177	
4190 Outlays, net (total) .....	4,274	177	

Summary of Budget Authority and Outlays (in millions of dollars)

	2010 actual	CR	2012 est.
Enacted/requested:			
Budget Authority .....	4,274	177	
Outlays .....	4,274	177	
Legislative proposal, subject to PAYGO:			
Budget Authority .....			283
Outlays .....			283
Total:			
Budget Authority .....	4,274	177	283
Outlays .....	4,274	177	283

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

Identification code 91-0231-0-1-502	2010 actual	CR	2012 est.
Direct loan levels supportable by subsidy budget authority:			
115002 Student Loan Acquisition — Stafford .....	3,469		
115003 Student Loan Acquisition — Unsubsidized Stafford .....	4,665		
115004 Student Loan Acquisition — PLUS .....	745		
115006 Stafford Direct Participation Agreement .....	8,310		
115007 Unsubsidized Stafford Direct Participation Agreement .....	11,476		
115008 PLUS Direct Participation Agreement .....	2,354		
115999 Total direct loan levels .....	31,019		
Direct loan subsidy (in percent):			
132002 Student Loan Acquisition — Stafford .....	6.11	0.00	
132003 Student Loan Acquisition — Unsubsidized Stafford .....	-15.70	0.00	
132004 Student Loan Acquisition — PLUS .....	-22.64	0.00	
132006 Stafford Direct Participation Agreement .....	8.74	0.00	
132007 Unsubsidized Stafford Direct Participation Agreement .....	-10.85	0.00	
132008 PLUS Direct Participation Agreement .....	-17.06	0.00	
132999 Weighted average subsidy rate .....	-5.19	0.00	
Direct loan subsidy budget authority:			
133002 Student Loan Acquisition — Stafford .....	212		
133003 Student Loan Acquisition — Unsubsidized Stafford .....	-732		

133004	Student Loan Acquisition — PLUS .....	-169		
133006	Stafford Direct Participation Agreement .....	726		
133007	Unsubsidized Stafford Direct Participation Agreement .....	-1,245		
133008	PLUS Direct Participation Agreement .....	-402		
133999	Total subsidy budget authority .....	-1,610		
	Direct loan subsidy outlays:			
134002	Student Loan Acquisition — Stafford .....	289		
134003	Student Loan Acquisition — Unsubsidized Stafford .....	-1,935		
134004	Student Loan Acquisition — PLUS .....	-557		
134006	Stafford Direct Participation Agreement .....	730		
134007	Unsubsidized Stafford Direct Participation Agreement .....	-1,972		
134008	PLUS Direct Participation Agreement .....	-665		
134999	Total subsidy outlays .....	-4,110		
	Direct loan upward reestimates:			
135010	Direct Participation Agreement Reestimates .....	3,362		
135012	Direct Standard Put Reestimates .....	776	31	
135999	Total upward reestimate budget authority .....	4,138	31	
	Direct loan downward reestimates:			
137010	Direct Participation Agreement Reestimates .....	-1,801	-5,352	
137012	Direct Standard Put Reestimates .....	-1,256	-563	
137999	Total downward reestimate budget authority .....	-3,057	-5,915	
	Guaranteed loan levels supportable by subsidy budget authority:			
215001	Stafford .....	15,738		
215002	Unsubsidized Stafford .....	21,969		
215003	PLUS .....	4,165		
215004	Consolidation .....	187		
215999	Total loan guarantee levels .....	42,059		
	Guaranteed loan subsidy (in percent):			
232001	Stafford .....	10.49	0.00	
232002	Unsubsidized Stafford .....	-6.24	0.00	
232003	PLUS .....	-8.79	0.00	
232004	Consolidation .....	-3.07	0.00	
232999	Weighted average subsidy rate .....	-0.22	0.00	
	Guaranteed loan subsidy budget authority:			
233001	Stafford .....	1,651		
233002	Unsubsidized Stafford .....	-1,371		
233003	PLUS .....	-366		
233004	Consolidation .....	-6		
233999	Total subsidy budget authority .....	-92		
	Guaranteed loan subsidy outlays:			
234001	Stafford .....	1,683		
234002	Unsubsidized Stafford .....	-1,752		
234003	PLUS .....	-527		
234004	Consolidation .....	-6		
234999	Total subsidy outlays .....	-602		
	Guaranteed loan upward reestimates:			
235006	FFEL Guarantees .....	136	146	
235999	Total upward reestimate budget authority .....	136	146	
	Guaranteed loan downward reestimates:			
237006	FFEL Guarantees .....	-8,620	-18,754	
237999	Total downward reestimate subsidy budget authority .....	-8,620	-18,754	

As required by the Federal Credit Reform Act of 1990, this program account records the subsidy costs associated with Federal Family Education Loans (FFEL), formerly guaranteed student loans (GSL), committed in 1992 and beyond. Beginning with the 1993 cohort, mandatory administrative costs, specifically contract collection costs, are included in the FFEL subsidy estimates of each year's cohort. 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.

FEDERAL FAMILY EDUCATION LOAN PROGRAM ACCOUNT

(Legislative proposal, subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 91-0231-4-1-502	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
Credit program obligations:			
0704	Subsidy for modifications of loan guarantees .....		283

0900	Total new obligations (object class 41.0) .....			283
<b>Budgetary Resources:</b>				
Budget authority:				
Appropriations, mandatory:				
1200	Appropriation .....			283
1930	Total budgetary resources available .....			283
<b>Change in obligated balance:</b>				
Obligated balance, start of year (net):				
3000	Unpaid obligations, brought forward, Oct 1 (gross) .....			
3030	Obligations incurred, unexpired accounts .....			283
3040	Outlays (gross) .....			-283
Obligated balance, end of year (net):				
3090	Unpaid obligations, end of year (gross) .....			
<b>Budget authority and outlays, net:</b>				
Mandatory:				
4090	Budget authority, gross .....			283
Outlays, gross:				
4100	Outlays from new mandatory authority .....			283
4180	Budget authority, net (total) .....			283
4190	Outlays, net (total) .....			283

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

Identification code 91-0231-4-1-502	2010 actual	CR	2012 est.
<b>Direct loan levels supportable by subsidy budget authority:</b>			
115002	Student Loan Acquisition — Stafford .....		12,714
115003	Student Loan Acquisition — Unsubsidized Stafford .....		14,141
115004	Student Loan Acquisition — PLUS .....		2,626
115025	Student Loan Acquisition — Consolidation .....		9,504
115999	Total direct loan levels .....		38,985
<b>Direct loan subsidy (in percent):</b>			
132002	Student Loan Acquisition — Stafford .....		11.20
132003	Student Loan Acquisition — Unsubsidized Stafford .....		-15.66
132004	Student Loan Acquisition — PLUS .....		-21.08
132025	Student Loan Acquisition — Consolidation .....		-3.75
132999	Weighted average subsidy rate .....		-4.36
<b>Direct loan subsidy budget authority:</b>			
133002	Student Loan Acquisition — Stafford .....		1,424
133003	Student Loan Acquisition — Unsubsidized Stafford .....		-2,214
133004	Student Loan Acquisition — PLUS .....		-554
133025	Student Loan Acquisition — Consolidation .....		-356
133999	Total subsidy budget authority .....		-1,700
<b>Direct loan subsidy outlays:</b>			
134002	Student Loan Acquisition — Stafford .....		1,424
134003	Student Loan Acquisition — Unsubsidized Stafford .....		-2,214
134004	Student Loan Acquisition — PLUS .....		-554
134025	Student Loan Acquisition — Consolidation .....		-356
134999	Total subsidy outlays .....		-1,700
<b>Guaranteed loan subsidy outlays:</b>			
234006	FFEL Guarantees .....		-409
234999	Total subsidy outlays .....		-409

FEDERAL FAMILY EDUCATION LOAN PROGRAM FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 91-4251-0-3-502	2010 actual	CR	2012 est.	
<b>Obligations by program activity:</b>				
0101	Default claims .....	2,726	1,963	1,567
0102	Special allowance .....		62	88
0103	Interest benefits .....	3,039	1,346	936
0104	Death, disability, and bankruptcy claims .....	243	144	123
0105	Teacher loan forgiveness, other write-offs .....	32	123	127
0107	Contract collection costs .....	15	16	15
0108	Guaranty Agency loan processing issuance fees .....	80		
0110	Guaranty Agency account maintenance fees .....	67	41	38
0191	Subtotal, Stafford loans .....	6,202	3,695	2,894
0202	Default claims .....	2,309	1,815	1,486
0203	Special allowance .....		58	91
0204	Death, disability, and bankruptcy claims .....	310	139	113
0205	Teacher loan forgiveness, other write-offs .....	50	90	94
0207	Contract collection costs .....	6	7	8
0208	Guaranty Agency loan processing issuance fees .....	105		

FEDERAL FAMILY EDUCATION LOAN PROGRAM FINANCING  
ACCOUNT—Continued

Program and Financing—Continued

Identification code 91-4251-0-3-502	2010 actual	CR	2012 est.
0210 Guaranty Agency account maintenance fees	49	35	32
0291 Subtotal, Unsubsidized Stafford loans	2,829	2,144	1,824
0301 Default claims	302	240	212
0303 Special allowance			1
0304 Death, disability, and bankruptcy claims	100	73	59
0307 Contract Collection Costs	1	2	1
0308 Guaranty Agency loan processing issuance fees	28		
0310 Guaranty Agency account maintenance fees	18	12	11
0391 Subtotal, PLUS loans	449	327	284
0403 Default claims	10		
0404 Death, disability and bankruptcy claims	1		
0407 Contract collection costs	2	2	1
0491 Subtotal, SLS loans	13	2	1
0501 Default claims	4,188	4,132	3,976
0502 Special allowance		114	243
0503 Interest benefits	985	677	532
0504 Death, disability, and bankruptcy claims	1,251	769	688
0505 Teacher loan forgiveness, other write-offs	45		
0507 Contract collection costs	6	9	10
0510 Guaranty Agency account maintenance fees	165	153	147
0591 Subtotal, Consolidations loans	6,640	5,854	5,596
Credit program obligations:			
0713 Payment of interest to Treasury	474		
0740 Negative subsidy obligations	92		
0742 Downward reestimate paid to receipt account	7,138	14,533	
0743 Interest on downward reestimates	1,482	4,221	
0791 Direct program activities, subtotal	9,186	18,754	
0900 Total new obligations	25,319	30,776	10,599
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	4,684	9,053	12,910
1021 Recoveries of prior year unpaid obligations	1,339		
1050 Unobligated balance (total)	6,023	9,053	12,910
Financing authority:			
Borrowing authority, mandatory:			
1400 Borrowing authority	8,712	18,754	
Spending authority from offsetting collections, mandatory:			
1800 Collected	19,651	15,879	14,439
1801 Change in uncollected payments, Federal sources	3		
1825 Spending authority from offsetting collections applied to repay debt	-17		
1850 Spending auth from offsetting collections, mand (total)	19,637	15,879	14,439
1900 Financing authority (total)	28,349	34,633	14,439
1930 Total budgetary resources available	34,372	43,686	27,349
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	9,053	12,910	16,750
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	3,939	2,648	2,648
3010 Uncollected pymts, Fed sources, brought forward, Oct 1	3		
3020 Obligated balance, start of year (net)	3,942	2,648	2,648
3030 Obligations incurred, unexpired accounts	25,319	30,776	10,599
3040 Financing disbursements (gross)	-25,271	-30,776	-10,599
3050 Change in uncollected pymts, Fed sources, unexpired	-3		
3080 Recoveries of prior year unpaid obligations, unexpired	-1,339		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	2,648	2,648	2,648
<b>Financing authority and disbursements, net:</b>			
Mandatory:			
4090 Financing authority, gross	28,349	34,633	14,439
Financing disbursements:			
4110 Financing disbursements, gross	25,271	30,776	10,599
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4120 Upward reestimate		-78	
4120 Interest on upward reestimate	-130	-68	
4120 Interest on upward reestimate	-8		
4122 Interest on uninvested funds	-319	-455	-243
4123 Stafford recoveries on defaults	-1,232	-2,160	-2,133
4123 Stafford borrower origination fees	-143		
4123 Stafford lender origination fees	-235		

4123 Stafford other fees	-94		
4123 Stafford special allowance rebate	-2,723	-1,693	-1,347
4123 Unsubsidized Stafford recoveries on default	-1,108	-1,684	-1,741
4123 Unsubsidized Stafford borrower origination fees	-189		
4123 Unsubsidized Stafford lender origination fees	-305		
4123 Unsubsidized Stafford other fees	-68		
4123 Unsubsidized Stafford special allowance rebate	-3,137	-2,005	-1,671
4123 PLUS recoveries on defaults	-269	-205	-211
4123 PLUS borrower origination fees	-219		
4123 PLUS lender origination fees	-82		
4123 PLUS other fees	-14		
4123 PLUS special allowance rebate	-1,232	-636	-558
4123 SLS recoveries on defaults	-927	-36	-25
4123 SLS other fees	-2		
4123 Consolidation recoveries on defaults	-2,515	-2,701	-2,951
4123 Consolidation lender origination fees	-1		
4123 Consolidation loan holders fee	-2,262	-1,969	-1,815
4123 Consolidation other fees	-124		
4123 Consolidation special allowance rebate	-2,313	-2,189	-1,744
4130 Offsets against gross financing auth and disbursements (total)	-19,651	-15,879	-14,439
Additional offsets against financing authority only (total):			
4140 Change in uncollected pymts, Fed sources, unexpired	-3		
4160 Financing authority, net (mandatory)	8,695	18,754	
4170 Financing disbursements, net (mandatory)	5,620	14,897	-3,840
4180 Financing authority, net (total)	8,695	18,754	
4190 Financing disbursements, net (total)	5,620	14,897	-3,840

Status of Guaranteed Loans (in millions of dollars)

Identification code 91-4251-0-3-502	2010 actual	CR	2012 est.
<b>STAFFORD</b>			
Position with respect to appropriations act limitation on commitments:			
2131 Guaranteed loan commitments exempt from limitation	15,738		
2150 Total guaranteed loan commitments	15,738		
2199 Guaranteed amount of guaranteed loan commitments	15,266		
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	99,122	76,906	68,081
2231 Disbursements of new guaranteed loans	16,204		
2251 Repayments and prepayments	-8,378	-6,444	-6,149
Adjustments:			
2261 Terminations for default that result in loans receivable	-2,969	-2,113	-1,654
2263 Terminations for default that result in claim payments	-243	-144	-123
2264 Other adjustments, net	-26,830	-124	-126
2290 Outstanding, end of year	76,906	68,081	60,029
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	74,599	66,039	58,228
Addendum:			
Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310 Outstanding, start of year	5,767	6,557	6,279
2331 Disbursements for guaranteed loan claims	2,969	2,113	1,654
2351 Repayments of loans receivable	-1,874	-2,160	-2,133
2361 Write-offs of loans receivable	-243	-231	-206
2364 Other adjustments, net	-62		
2390 Outstanding, end of year	6,557	6,279	5,594
<b>UNSUBSIDIZED STAFFORD</b>			
Position with respect to appropriations act limitation on commitments:			
2131 Guaranteed loan commitments exempt from limitation	21,969		
2150 Total guaranteed loan commitments	21,969		
2199 Guaranteed amount of guaranteed loan commitments	21,310		
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	103,319	81,123	70,968
2231 Disbursements of new guaranteed loans	20,546		
2251 Repayments and prepayments	-9,324	-8,004	-7,788
Adjustments:			
2261 Terminations for default that result in loans receivable	-2,619	-1,922	-1,562
2263 Terminations for default that result in claim payments	-310	-139	-113
2264 Other adjustments, net	-30,489	-90	-94
2290 Outstanding, end of year	81,123	70,968	61,411

Memorandum:			
2299	Guaranteed amount of guaranteed loans outstanding, end of year .....	78,689	68,839 59,569
Addendum:			
Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310	Outstanding, start of year .....	5,195	6,490 6,424
2331	Disbursements for guaranteed loan claims .....	2,619	1,922 1,562
2351	Repayments of loans receivable .....	-952	-1,684 -1,741
2361	Write-offs of loans receivable .....	-310	-304 -282
2364	Other adjustments, net .....	-62	.....
2390	Outstanding, end of year .....	6,490	6,424 5,963
PLUS			
Position with respect to appropriations act limitation on commitments:			
2131	Guaranteed loan commitments exempt from limitation .....	4,165	.....
2150	Total guaranteed loan commitments .....	4,165	.....
2199	Guaranteed amount of guaranteed loan commitments .....	4,040	.....

Cumulative balance of guaranteed loans outstanding:			
2210	Outstanding, start of year .....	26,834	20,794 18,161
2231	Disbursements of new guaranteed loans .....	5,311	.....
2251	Repayments and prepayments .....	-3,604	-2,307 -2,207
Adjustments:			
2261	Terminations for default that result in loans receivable .....	-402	-253 -219
2263	Terminations for default that result in claim payments .....	-100	-73 -59
2264	Other adjustments, net .....	-7,245	.....
2290	Outstanding, end of year .....	20,794	18,161 15,676

Memorandum:			
2299	Guaranteed amount of guaranteed loans outstanding, end of year .....	20,170	17,616 15,206

Addendum:			
Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310	Outstanding, start of year .....	542	604 560
2331	Disbursements for guaranteed loan claims .....	402	253 219
2351	Repayments of loans receivable .....	-234	-205 -210
2361	Write-offs of loans receivable .....	-100	-92 -80
2364	Other adjustments, net .....	-6	.....
2390	Outstanding, end of year .....	604	560 489

SLS			
Cumulative balance of guaranteed loans outstanding:			
2210	Outstanding, start of year .....	121	106 95
2251	Repayments and prepayments .....	-32	-9 -6
Adjustments:			
2261	Terminations for default that result in loans receivable .....	-11	-2 .....
2263	Terminations for default that result in claim payments .....	-1	.....
2264	Other adjustments, net .....	29	.....
2290	Outstanding, end of year .....	106	95 89

Memorandum:			
2299	Guaranteed amount of guaranteed loans outstanding, end of year .....	103	92 86

Addendum:			
Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310	Outstanding, start of year .....	365	350 315
2331	Disbursements for guaranteed loan claims .....	11	2 .....
2351	Repayments of loans receivable .....	-22	-36 -25
2361	Write-offs of loans receivable .....	-1	-1 -1
2364	Other adjustments, net .....	-3	.....
2390	Outstanding, end of year .....	350	315 289

CONSOLIDATION			
Position with respect to appropriations act limitation on commitments:			
2131	Guaranteed loan commitments exempt from limitation .....	187	.....
2150	Total guaranteed loan commitments .....	187	.....
2199	Guaranteed amount of guaranteed loan commitments .....	181	.....

Cumulative balance of guaranteed loans outstanding:			
2210	Outstanding, start of year .....	226,815	210,665 193,498
2231	Disbursements of new guaranteed loans .....	80	.....
2251	Repayments and prepayments .....	-14,774	-12,186 -12,023
Adjustments:			
2261	Terminations for default that result in loans receivable .....	-5,439	-4,212 -4,068
2263	Terminations for default that result in claim payments .....	-1,251	-769 -688

2264	Other adjustments, net .....	5,234	.....
2290	Outstanding, end of year .....	210,665	193,498 176,719

Memorandum:			
2299	Guaranteed amount of guaranteed loans outstanding, end of year .....	204,345	187,693 171,418

Addendum:			
Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310	Outstanding, start of year .....	10,533	12,358 12,605
2331	Disbursements for guaranteed loan claims .....	5,439	4,212 4,068
2351	Repayments of loans receivable .....	-2,245	-2,701 -2,951
2361	Write-offs of loans receivable .....	-1,251	-1,264 -1,250
2364	Other adjustments, net .....	-118	.....
2390	Outstanding, end of year .....	12,358	12,605 12,472

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 Federal Family Education Loans (FFEL), formerly guaranteed student loans (GSL), committed in 1992 and beyond. The amounts in this account are a means of financing and are not included in the budget totals.

**Balance Sheet** (in millions of dollars)

Identification code 91-4251-0-3-502	2009 actual	2010 actual
<b>ASSETS:</b>		
Federal assets:		
1101	Fund balances with Treasury .....	7,678 11,326
Investments in US securities:		
1106	Receivables, net .....	..... 934
1206	Non-Federal assets: Receivables, net .....	689 280
Net value of assets related to post-1991 acquired defaulted guaranteed loans receivable:		
1501	Defaulted guaranteed loans receivable, gross .....	22,403 26,359
1502	Interest receivable .....	2,302 2,436
1505	Allowance for subsidy cost (-) .....	-4,309 -3,853
1599	Net present value of assets related to defaulted guaranteed loans .....	20,396 24,942
1999	Total assets .....	28,763 37,482
<b>LIABILITIES:</b>		
Federal liabilities:		
2101	Accounts payable .....	6,062 11,180
2102	Interest payable .....	12 .....
2103	Debt .....	1,461 10,730
Non-Federal liabilities:		
2201	Accounts payable .....	780 254
2204	Liabilities for loan guarantees .....	20,448 15,318
2999	Total liabilities .....	28,763 37,482
4999	Total liabilities and net position .....	28,763 37,482

**FEDERAL FAMILY EDUCATION LOAN PROGRAM FINANCING ACCOUNT**  
(Legislative proposal, subject to PAYGO)

**Program and Financing** (in millions of dollars)

Identification code 91-4251-4-3-502	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0101	Default claims .....	.....	-224
0102	Special allowance .....	.....	-4
0103	Interest benefits .....	.....	-142
0104	Death, disability, and bankruptcy claims .....	.....	-11
0110	Guaranty Agency account maintenance fees .....	.....	-4
0191	Subtotal, Stafford loans .....	.....	-385
0202	Default claims .....	.....	-67
0204	Death, disability, and bankruptcy claims .....	.....	-4
0210	Guaranty Agency account maintenance fees .....	.....	-1
0291	Subtotal, Unsubsidized Stafford loans .....	.....	-72
0301	Default claims .....	.....	-6
0304	Death, disability, and bankruptcy claims .....	.....	-1
0391	Subtotal, PLUS loans .....	.....	-7
0501	Default claims .....	.....	-128
0502	Special allowance .....	.....	-5
0503	Interest benefits .....	.....	-19

FEDERAL FAMILY EDUCATION LOAN PROGRAM FINANCING  
ACCOUNT—Continued

Program and Financing—Continued

Identification code 91-4251-4-3-502	2010 actual	CR	2012 est.
0504 Death, disability, and bankruptcy claims .....			-23
0510 Guaranty Agency account maintenance fees .....			-5
0591 Subtotal, Consolidations loans .....			-180
Credit program obligations:			
0741 Modification savings .....			692
0900 Total new obligations .....			48
<b>Budgetary Resources:</b>			
Financing authority:			
Appropriations, mandatory:			
1200 Appropriation- Positive MAT .....			59
Spending authority from offsetting collections, mandatory:			
1800 Collected .....			-225
1820 Capital transfer of spending authority from offsetting collections to general fund-MAT .....			-23
1850 Spending auth from offsetting collections, mand (total) .....			-248
1900 Financing authority(total) .....			-189
1930 Total budgetary resources available .....			-189
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....			-237
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross) .....			
3030 Obligations incurred, unexpired accounts .....			48
3040 Financing disbursements (gross) .....			-48
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross) .....			
<b>Financing authority and disbursements, net:</b>			
Mandatory:			
4090 Financing authority, gross .....			-189
Financing disbursements:			
4110 Financing disbursements, gross .....			48
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4120 Upward Modification cost .....			-283
4122 Interest on uninvested funds .....			5
4123 Stafford recoveries on defaults .....			3
4123 Stafford special allowance rebate .....			196
4123 Unsubsidized Stafford recoveries on default .....			2
4123 Unsubsidized Stafford special allowance rebate .....			107
4123 PLUS special allowance rebate .....			26
4123 Consolidation recoveries on defaults .....			9
4123 Consolidation loan holders fee .....			63
4123 Consolidation special allowance rebate .....			97
4130 Offsets against gross financing auth and disbursements (total) .....			225
4160 Financing authority, net (mandatory) .....			36
4170 Financing disbursements, net (mandatory) .....			273
4180 Financing authority, net (total) .....			36
4190 Financing disbursements, net (total) .....			273

Status of Guaranteed Loans (in millions of dollars)

Identification code 91-4251-4-3-502	2010 actual	CR	2012 est.
<b>STAFFORD</b>			
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year .....			
2251 Repayments and prepayments .....			690
Adjustments:			
2261 Terminations for default that result in loans receivable .....			193
2263 Terminations for default that result in claim payments .....			11
2290 Outstanding, end of year .....			894
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year .....			867
Addendum:			
Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310 Outstanding, start of year .....			
2331 Disbursements for guaranteed loan claims .....			-193

2351 Repayments of loans receivable .....			3
2361 Write-offs of loans receivable .....			6
2390 Outstanding, end of year .....			-184

<b>UNSUBSIDIZED STAFFORD</b>			
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year .....			
2251 Repayments and prepayments .....			302
Adjustments:			
2261 Terminations for default that result in loans receivable .....			57
2263 Terminations for default that result in claim payments .....			4
2290 Outstanding, end of year .....			363

Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year .....			352

Addendum:			
Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310 Outstanding, start of year .....			
2331 Disbursements for guaranteed loan claims .....			-57
2351 Repayments of loans receivable .....			2
2361 Write-offs of loans receivable .....			2
2390 Outstanding, end of year .....			-53

<b>PLUS</b>			
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year .....			
2251 Repayments and prepayments .....			82
Adjustments:			
2261 Terminations for default that result in loans receivable .....			5
2263 Terminations for default that result in claim payments .....			1
2290 Outstanding, end of year .....			88

Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year .....			86

Addendum:			
Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310 Outstanding, start of year .....			
2331 Disbursements for guaranteed loan claims .....			-5
2351 Repayments of loans receivable .....			
2361 Write-offs of loans receivable .....			1
2390 Outstanding, end of year .....			-4

<b>CONSOLIDATION</b>			
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year .....			
2251 Repayments and prepayments .....			399
Adjustments:			
2261 Terminations for default that result in loans receivable .....			111
2263 Terminations for default that result in claim payments .....			23
2290 Outstanding, end of year .....			533

Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year .....			517

Addendum:			
Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310 Outstanding, start of year .....			
2331 Disbursements for guaranteed loan claims .....			-111
2351 Repayments of loans receivable .....			9
2361 Write-offs of loans receivable .....			10
2390 Outstanding, end of year .....			-92

TEMPORARY STUDENT LOAN PURCHASE AUTHORITY FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 91-4453-0-3-502	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0003 Lender fee rebate .....			379
0004 Participation Agreement lender purchase fee .....			625



0006	Contract collection costs	13	48
0091	Direct program activities, subtotal	1,017	48
	Credit program obligations:		
0710	Direct loan obligations	22,140	
0713	Payment of interest to Treasury	3,397	2,848
0715	Other loan purchase obligations	1,803	
0740	Negative subsidy obligations	920	
0742	Downward reestimate paid to receipt account	1,691	5,040
0743	Interest on downward reestimates	110	312
0791	Direct program activities, subtotal	30,061	8,200
0900	Total new obligations	30,061	9,217
	<b>Budgetary Resources:</b>		
	Unobligated balance:		
1000	Unobligated balance brought forward, Oct 1	3,244	3,252
1023	Unobligated balances applied to repay debt	-3,244	-3,252
1050	Unobligated balance (total)		
	Financing authority:		
	Borrowing authority, mandatory:		
1400	Borrowing authority	27,036	6,356
	Spending authority from offsetting collections, mandatory:		
1800	Collected	9,639	5,807
1825	Spending authority from offsetting collections applied to repay debt	-3,362	-1,650
1850	Spending auth from offsetting collections, mand (total)	6,277	4,157
1900	Financing authority (total)	33,313	10,513
1930	Total budgetary resources available	33,313	10,513
	Memorandum (non-add) entries:		
1941	Unexpired unobligated balance, end of year	3,252	1,296

	<b>Change in obligated balance:</b>		
	Obligated balance, start of year (net):		
3000	Unpaid obligations, brought forward, Oct 1 (gross)	23,983	14,976
3030	Obligations incurred, unexpired accounts	30,061	9,217
3040	Financing disbursements (gross)	-39,068	-9,217
	Obligated balance, end of year (net):		
3090	Unpaid obligations, end of year (gross)	14,976	14,976

	<b>Financing authority and disbursements, net:</b>		
	Mandatory:		
4090	Financing authority, gross	33,313	10,513
	Financing disbursements:		
4110	Financing disbursements, gross	39,068	9,217
	Offsets against gross financing authority and disbursements:		
	Offsetting collections (collected) from:		
4120	Upward reestimate	-3,213	
4120	Upward reestimate interest	-149	
4122	Interest on uninvested funds	-1,222	
4123	Participation Agreement Yield Put fee		-292
4123	Principal repayments	-4,597	-4,270
4123	Interest repayments	-458	-1,245
4130	Offsets against gross financing auth and disbursements (total)	-9,639	-5,807
4160	Financing authority, net (mandatory)	23,674	4,706
4170	Financing disbursements, net (mandatory)	29,429	3,410
4180	Financing authority, net (total)	23,674	4,706
4190	Financing disbursements, net (total)	29,429	3,410

**Status of Direct Loans** (in millions of dollars)

Identification code 91-4453-0-3-502	2010 actual	CR	2012 est.
	Position with respect to appropriations act limitation on obligations:		
1131	Direct loan obligations exempt from limitation	22,140	
1150	Total direct loan obligations	22,140	
	Cumulative balance of direct loans outstanding:		
1210	Outstanding, start of year	37,020	62,931
1232	Disbursements: Purchase of loans assets from the public	31,963	
1251	Repayments: Repayments and prepayments	-4,597	-4,270
1261	Adjustments: Capitalized interest		1,726
1264	Write-offs for default: Other adjustments, net (+ or -)	-1,455	-104
1290	Outstanding, end of year	62,931	60,283

As required by the Federal Credit Reform Act of 1990, this nonbudgetary account records all cash flows to and from the Government resulting from the participation interest program authorized under the Ensuring Continued Access to Student

Loans Act of 2008. Amounts in this account are a means of financing and are not included in the budget totals.

**Balance Sheet** (in millions of dollars)

Identification code 91-4453-0-3-502	2009 actual	2010 actual
	<b>ASSETS:</b>	
	Federal assets:	
1101	Fund balances with Treasury	13,933
	Investments in US securities:	
1106	Receivables, net	48
	Net value of assets related to post-1991 direct loans receivable:	
1401	Direct loans receivable, gross	37,020
1402	Interest receivable	259
1405	Allowance for subsidy cost (-)	2,717
1499	Net present value of assets related to direct loans	39,996
1999	Total assets	53,977
	<b>LIABILITIES:</b>	
	Federal liabilities:	
2101	Accounts payable	769
2103	Debt	53,977
2999	Total liabilities	53,977
4999	Total liabilities and net position	53,977

**STUDENT LOAN ACQUISITION ACCOUNT**

**Program and Financing** (in millions of dollars)

Identification code 91-4449-0-3-502	2010 actual	CR	2012 est.
	<b>Obligations by program activity:</b>		
0003	Lender fee rebate	252	7
0004	Standard Put lender purchase fee	417	13
0005	Contract collection costs		8
0091	Subtotal	669	28
	Credit program obligations:		
0710	Direct loan obligations	8,879	
0713	Payment of interest to Treasury	1,771	1,772
0715	Other loan put obligations	5,212	
0740	Negative subsidy obligations	689	
0742	Downward reestimate paid to receipt account	1,188	517
0743	Interest on downward reestimates	68	46
0791	Direct program activities, subtotal	17,807	2,335
0900	Total new obligations	18,476	2,363
	<b>Budgetary Resources:</b>		
	Unobligated balance:		
1000	Unobligated balance brought forward, Oct 1	640	768
1023	Unobligated balances applied to repay debt	-640	-768
1050	Unobligated balance (total)		
	Financing authority:		
	Borrowing authority, mandatory:		
1400	Borrowing authority	17,177	564
	Spending authority from offsetting collections, mandatory:		
1800	Collected	2,843	3,137
1825	Spending authority from offsetting collections applied to repay debt	-776	-1,338
1850	Spending auth from offsetting collections, mand (total)	2,067	1,799
1900	Financing authority (total)	19,244	2,363
1930	Total budgetary resources available	19,244	2,363
	Memorandum (non-add) entries:		
1941	Unexpired unobligated balance, end of year	768	
	<b>Change in obligated balance:</b>		
	Obligated balance, start of year (net):		
3000	Unpaid obligations, brought forward, Oct 1 (gross)	16,213	4,382
3030	Obligations incurred, unexpired accounts	18,476	2,363
3040	Financing disbursements (gross)	-30,307	-2,363
	Obligated balance, end of year (net):		
3090	Unpaid obligations, end of year (gross)	4,382	4,382
	<b>Financing authority and disbursements, net:</b>		
	Mandatory:		
4090	Financing authority, gross	19,244	2,363

4090	Financing authority, gross	19,244	2,363
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STUDENT LOAN ACQUISITION ACCOUNT—Continued  
Program and Financing—Continued

Identification code 91-4449-0-3-502	2010 actual	CR	2012 est.
Financing disbursements:			
4110 Financing disbursements, gross	30,307	2,363	1,736
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4120 Upward reestimate	-742	-29	
4120 Upward reestimate interest	-34	-2	
4122 Interest on uninvested funds	-631		
4123 Principal repayments	-1,228	-2,422	-3,164
4123 Borrower interest repayments	-208	-684	-966
4130 Offsets against gross financing auth and disbursements (total)	-2,843	-3,137	-4,130
4160 Financing authority, net (mandatory)	16,401	-774	-2,394
4170 Financing disbursements, net (mandatory)	27,464	-774	-2,394
4180 Financing authority, net (total)	16,401	-774	-2,394
4190 Financing disbursements, net (total)	27,464	-774	-2,394

Status of Direct Loans (in millions of dollars)

Identification code 91-4449-0-3-502	2010 actual	CR	2012 est.
Position with respect to appropriations act limitation on obligations:			
1131 Direct loan obligations exempt from limitation	8,879		
1150 Total direct loan obligations	8,879		
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	14,293	36,623	35,092
1232 Disbursements: Purchase of loans assets from the public	24,432		
1251 Repayments: Repayments and prepayments	-1,228	-2,422	-3,164
1261 Adjustments: Capitalized interest		958	945
1264 Write-offs for default: Other adjustments, net (+ or -)	-874	-67	-68
1290 Outstanding, end of year	36,623	35,092	32,805

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 the standard and short-term put programs authorized under the Ensuring Continued Access to Student Loans Act of 2008. Amounts in this account are a means of financing and are not included in the budget totals.

The expansion of the Direct Loan program to originate 100 percent of all loans and the use of various Department loan purchase programs has caused over 6 million borrowers to currently have loans in the Direct Loan program and the guaranteed FFEL program. To assist these borrowers, the Budget proposes allowing students to convert existing FFEL debt by moving the debt and servicing to the Department. The terms and conditions of borrowers' existing loans will continue. Private loan holders would be paid 100 percent of the outstanding principal and interest balance on any loans converted. Borrowers would be eligible for an incentive of up to 2 percent of their loan balance. This proposal is estimated to save \$2.1 billion in 2012.

Balance Sheet (in millions of dollars)

Identification code 91-4449-0-3-502	2009 actual	2010 actual
ASSETS:		
Federal assets:		
1101 Fund balances with Treasury	8,093	957
Investments in US securities:		
1106 Receivables, net		2,519
Net value of assets related to post-1991 direct loans receivable:		
1401 Direct loans receivable, gross	14,293	36,623
1402 Interest receivable	379	1,400
1405 Allowance for subsidy cost (-)	2,360	4,256
1499 Net present value of assets related to direct loans	17,032	42,279
1999 Total assets	25,125	45,755
LIABILITIES:		
Federal liabilities:		
2101 Accounts payable	248	550
2103 Debt	24,877	45,205

2999 Total liabilities	25,125	45,755
4999 Total liabilities and net position	25,125	45,755

STUDENT LOAN ACQUISITION ACCOUNT  
(Legislative proposal, subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 91-4449-4-3-502	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0005 Contract collection costs			4
0006 Direct program activity			887
0091 Subtotal			891
Credit program obligations:			
0710 Direct loan obligations			38,985
0713 Payment of interest to Treasury			688
0740 Negative subsidy obligations			1,700
0791 Direct program activities, subtotal			41,373
0900 Total new obligations			42,264
<b>Budgetary Resources:</b>			
Financing authority:			
Borrowing authority, mandatory:			
1400 Borrowing authority			40,686
Spending authority from offsetting collections, mandatory:			
1800 Collected			3,871
1825 Spending authority from offsetting collections applied to repay debt			-2,293
1850 Spending auth from offsetting collections, mand (total)			1,578
1900 Financing authority (total)			42,264
1930 Total budgetary resources available			42,264

Change in obligated balance:

Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)			
3030 Obligations incurred, unexpired accounts			42,264
3040 Financing disbursements (gross)			-40,075
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)			2,189

Financing authority and disbursements, net:

Mandatory:			
4090 Financing authority, gross			42,264
Financing disbursements:			
4110 Financing disbursements, gross			40,075
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4123 Principal repayments			-3,027
4123 Borrower interest repayments			-504
4123 Fees			-340
4130 Offsets against gross financing auth and disbursements (total)			-3,871
4160 Financing authority, net (mandatory)			38,393
4170 Financing disbursements, net (mandatory)			36,204
4180 Financing authority, net (total)			38,393
4190 Financing disbursements, net (total)			36,204

Status of Direct Loans (in millions of dollars)

Identification code 91-4449-4-3-502	2010 actual	CR	2012 est.
Position with respect to appropriations act limitation on obligations:			
1131 Direct loan obligations exempt from limitation			38,985
1150 Total direct loan obligations			38,985
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year			
1232 Disbursements: Purchase of loans assets from the public			36,797
1251 Repayments: Repayments and prepayments			-3,027
1261 Adjustments: Capitalized interest			492
1264 Write-offs for default: Other adjustments, net (+ or -)			-61
1290 Outstanding, end of year			34,201

TEMPORARY STUDENT LOAN PURCHASE AUTHORITY CONDUIT FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 91-4459-0-3-502	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0003 Contract collection costs		44	74
Credit program obligations:			
0713 Payment of interest to Treasury	41	33	55
0900 Total new obligations	41	77	129
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1		3	102
Financing authority:			
Spending authority from offsetting collections, mandatory:			
1800 Collected	134	401	627
1825 Spending authority from offsetting collections applied to repay debt	-90	-225	-394
1850 Spending auth from offsetting collections, mand (total)	44	176	233
1930 Total budgetary resources available	44	179	335
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	3	102	206
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	73,776	73,262	72,290
3030 Obligations incurred, unexpired accounts	41	77	129
3040 Financing disbursements (gross)	-555	-1,049	-1,036
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	73,262	72,290	71,383
<b>Financing authority and disbursements, net:</b>			
Mandatory:			
4090 Financing authority, gross	44	176	233
Financing disbursements:			
4110 Financing disbursements, gross	555	1,049	1,036
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4122 Interest on uninvested funds	-29		
4123 Direct Conduit Fees	-98	-38	-53
4123 Principal repayments	-6	-268	-457
4123 Interest repayments	-1	-34	-65
4123 FFB Commitment Fee		-61	-52
4130 Offsets against gross financing auth and disbursements (total)	-134	-401	-627
4160 Financing authority, net (mandatory)	-90	-225	-394
4170 Financing disbursements, net (mandatory)	421	648	409
4180 Financing authority, net (total)	-90	-225	-394
4190 Financing disbursements, net (total)	421	648	409

Status of Direct Loans (in millions of dollars)

Identification code 91-4459-0-3-502	2010 actual	CR	2012 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	50	544	1,248
1232 Disbursements: Purchase of loans assets from the public	514	972	907
1251 Repayments: Repayments and prepayments	-6	-268	-457
1261 Adjustments: Capitalized interest			
1264 Write-offs for default: Other adjustments, net (+ or -)	-14		
1290 Outstanding, end of year	544	1,248	1,698

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 the asset-backed commercial paper conduit authorized under the Ensuring Continued Access to Student Loans Act of 2008. Amounts in this account are a means of financing and are not included in the budget totals.

Balance Sheet (in millions of dollars)

Identification code 91-4459-0-3-502	2009 actual	2010 actual
<b>ASSETS:</b>		
1101 Federal assets: Fund balances with Treasury	196	335

Net value of assets related to post-1991 direct loans receivable:		
1401 Direct loans receivable, gross	50	544
1402 Interest receivable	3	27
1405 Allowance for subsidy cost (-)	-5	-102
1499 Net present value of assets related to direct loans	48	469
1999 Total assets	244	804
<b>LIABILITIES:</b>		
2103 Federal liabilities: Debt	244	804
2999 Total liabilities	244	804
4999 Total liabilities and net position	244	804

FEDERAL FAMILY EDUCATION LOAN LIQUIDATING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 91-0230-0-1-502	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0101 Interest benefits, net of origination fees	5	5	4
0103 Default claims	115	101	91
0104 Death, disability, and bankruptcy claims	16	15	13
0105 Contract collection costs	31	24	18
0191 Subtotal, Stafford loans	167	145	126
0201 Default claims	14	17	15
0202 Death, disability, and bankruptcy claims	8	6	5
0205 Contract collection costs	7	4	3
0291 Subtotal, PLUS/SLS loans	29	27	23
0900 Total new obligations	196	172	149
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	166	56	
1021 Recoveries of prior year unpaid obligations	8		
1022 Capital transfer of unobligated balances to general fund	-166	-56	
1050 Unobligated balance (total)	8		
Budget authority:			
Spending authority from offsetting collections, mandatory:			
1800 Collected	506	393	297
1820 Capital transfer of spending authority from offsetting collections to general fund	-262	-221	-148
1850 Spending auth from offsetting collections, mand (total)	244	172	149
1900 Budget authority (total)	244	172	149
1930 Total budgetary resources available	252	172	149
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	56		
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	23	24	24
3030 Obligations incurred, unexpired accounts	196	172	149
3040 Outlays (gross)	-187	-172	-149
3080 Recoveries of prior year unpaid obligations, unexpired	-8		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	24	24	24
<b>Budget authority and outlays, net:</b>			
Mandatory:			
4090 Budget authority, gross	244	172	149
Outlays, gross:			
4100 Outlays from new mandatory authority	187	172	149
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4123 Fed collections on defaulted loans, stafford	-93	-108	-82
4123 Fed collections on bankruptcies, Stafford	-3	-4	-3
4123 Offsets against Federal tax refunds, Stafford	-248	-116	-87
4123 Reimbursements from guaranty agencies, Stafford	-29	-81	-61
4123 Other collections, Stafford	-32	-24	-18
4123 Federal collections on defaulted loans, PLUS/SLS	-64	-33	-25
4123 Federal collections on bankruptcies, PLUS/SLS	-1	-1	-1
4123 Offsets against Federal tax refunds, PLUS/SLS	-20	-9	-7
4123 Reimbursements from guaranty agencies, PLUS/SLS	-16	-17	-13
4130 Offsets against gross budget authority and outlays (total)	-506	-393	-297
4160 Budget authority, net (mandatory)	-262	-221	-148
4170 Outlays, net (mandatory)	-319	-221	-148
4180 Budget authority, net (total)	-262	-221	-148

FEDERAL FAMILY EDUCATION LOAN LIQUIDATING ACCOUNT—Continued  
Program and Financing—Continued

Identification code 91-0230-0-1-502	2010 actual	CR	2012 est.
4190 Outlays, net (total)	-319	-221	-148

Status of Guaranteed Loans (in millions of dollars)

Identification code 91-0230-0-1-502	2010 actual	CR	2012 est.
<b>STAFFORD LOANS</b>			
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	928	767	648
2251 Repayments and prepayments	-26	-18	-13
Adjustments:			
2261 Terminations for default that result in loans receivable	-131	-86	-67
2263 Terminations for default that result in claim payments	-16	-15	-13
2264 Other adjustments, net	12		
2290 Outstanding, end of year	767	648	555

<b>Memorandum:</b>			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	744	629	538

<b>Addendum:</b>			
Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310 Outstanding, start of year	6,116	5,767	5,657
2331 Disbursements for guaranteed loan claims	131	86	67
2351 Repayments of loans receivable	-172	-161	-121
2361 Write-offs of loans receivable	-16	-15	-15
2364 Other adjustments, net	-292	-20	-15
2390 Outstanding, end of year	5,767	5,657	5,573

<b>PLUS/SLS LOANS</b>			
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	140	102	83
2251 Repayments and prepayments	-6	-3	-3
Adjustments:			
2261 Terminations for default that result in loans receivable	-22	-10	-8
2263 Terminations for default that result in claim payments	-8	-6	-5
2264 Other adjustments, net	-2		
2290 Outstanding, end of year	102	83	67

<b>Memorandum:</b>			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	99	80	65

<b>Addendum:</b>			
Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310 Outstanding, start of year	984	915	887
2331 Disbursements for guaranteed loan claims	22	10	8
2351 Repayments of loans receivable	-37	-27	-20
2361 Write-offs of loans receivable	-8	-8	-7
2364 Other adjustments, net	-46	-3	-3
2390 Outstanding, end of year	915	887	865

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 for 1992 and beyond is recorded in corresponding program and financing accounts.

Balance Sheet (in millions of dollars)

Identification code 91-0230-0-1-502	2009 actual	2010 actual
<b>ASSETS:</b>		
1101 Federal assets: Fund balances with Treasury	189	80
1701 Defaulted guaranteed loans, gross	7,100	6,682
1702 Interest receivable	223	223
1703 Allowance for estimated uncollectible loans and interest (-)	-3,843	-4,511
1704 Defaulted guaranteed loans and interest receivable, net	3,480	2,394
1799 Value of assets related to loan guarantees	3,480	2,394
1999 Total assets	3,669	2,474

<b>LIABILITIES:</b>		
2104 Federal liabilities: Resources payable to Treasury	3,569	2,399
Non-Federal liabilities:		
2201 Accounts payable	5	3
2204 Liabilities for loan guarantees	95	72
2999 Total liabilities	3,669	2,474
4999 Total liabilities and net position	3,669	2,474

Object Classification (in millions of dollars)

Identification code 91-0230-0-1-502	2010 actual	CR	2012 est.
<b>Direct obligations:</b>			
33.0 Investments and loans	167	147	127
41.0 Grants, subsidies, and contributions	5	4	4
42.0 Insurance claims and indemnities	24	21	18
99.9 Total new obligations	196	172	149

FEDERAL PERKINS LOAN PROGRAM ACCOUNT  
(Legislative proposal, subject to PAYGO)

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

Identification code 91-0217-4-1-502	2010 actual	CR	2012 est.
<b>Direct loan levels supportable by subsidy budget authority:</b>			
115001 Federal Perkins Loans			4,727
115999 Total direct loan levels			4,727
<b>Direct loan subsidy (in percent):</b>			
132001 Federal Perkins Loans			-26.25
132999 Weighted average subsidy rate			-26.25
<b>Direct loan subsidy budget authority:</b>			
133001 Federal Perkins Loans			-1,241
133999 Total subsidy budget authority			-1,241
<b>Direct loan subsidy outlays:</b>			
134001 Federal Perkins Loans			-578
134999 Total subsidy outlays			-578

FEDERAL PERKINS LOAN FINANCING ACCOUNT  
(Legislative proposal, subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 91-4574-4-3-502	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0002 Interest rate rebate			10
<b>Credit program obligations:</b>			
0710 Direct loan obligations			4,727
0713 Payment of interest to Treasury			53
0740 Negative subsidy obligations			1,241
0791 Direct program activities, subtotal			6,021
0900 Total new obligations			6,031

Budgetary Resources:

<b>Financing authority:</b>			
<b>Borrowing authority, mandatory:</b>			
1400 Borrowing authority			6,009
<b>Spending authority from offsetting collections, mandatory:</b>			
1800 Collected			22
1900 Financing authority (total)			6,031
1930 Total budgetary resources available			6,031

Change in obligated balance:

3030 Obligations incurred, unexpired accounts			6,031
3040 Financing disbursements (gross)			-2,808
<b>Obligated balance, end of year (net):</b>			
3090 Unpaid obligations, end of year (gross)			3,223

Financing authority and disbursements, net:			
Mandatory:			
4090	Financing authority, gross		6,031
Financing disbursements:			
4110	Financing disbursements, gross		2,808
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4123	Non-Federal sources		-22
4160	Financing authority, net (mandatory)		6,009
4170	Financing disbursements, net (mandatory)		2,786
4180	Financing authority, net (total)		6,009
4190	Financing disbursements, net (total)		2,786

Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4122	Interest on uninvested funds		-3
4123	Non-Federal sources		-4
Offsets against gross financing auth and disbursements (total)			
4130			-7
4160	Financing authority, net (mandatory)		
4170	Financing disbursements, net (mandatory)		8
4180	Financing authority, net (total)		
4190	Financing disbursements, net (total)		8

**Status of Direct Loans** (in millions of dollars)

Identification code 91-4574-4-3-502	2010 actual	CR	2012 est.
Position with respect to appropriations act limitation on obligations:			
1131	Direct loan obligations exempt from limitation		4,727
1150	Total direct loan obligations		4,727
Cumulative balance of direct loans outstanding:			
1210	Outstanding, start of year		
1231	Disbursements: Direct loan disbursements		2,167
1251	Repayments: Repayments and prepayments		-1
1261	Adjustments: Capitalized interest		
1264	Write-offs for default: Other adjustments, net (+ or -)		
1290	Outstanding, end of year		2,166

**Status of Guaranteed Loans** (in millions of dollars)

Identification code 91-4300-0-3-552	2010 actual	CR	2012 est.
Position with respect to appropriations act limitation on commitments:			
2143	Uncommitted limitation carried forward		
2150	Total guaranteed loan commitments		
Cumulative balance of guaranteed loans outstanding:			
2210	Outstanding, start of year		
2251	Repayments and prepayments		-15
Adjustments:			
2261	Terminations for default that result in loans receivable		-11
2263	Terminations for default that result in claim payments		-4
2264	Other adjustments, net		597
2290	Outstanding, end of year		567

**Memorandum:**

2299	Guaranteed amount of guaranteed loans outstanding, end of year		567
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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		11
2351	Repayments and prepayments		-4
2361	Write-offs of loans receivable		
2364	Other adjustments, net		177
2390	Outstanding, end of year		184

**HEALTH EDUCATION ASSISTANCE LOANS PROGRAM ACCOUNT**

Consistent with the 2011 President's Budget, in 2012, the Health Education Assistance Loan (HEAL) program will be transferred to the Department of Education from the Department of Health and Human Services. The Department of Education will assume responsibility for the program and the authority to administer, service, collect, and enforce the program as well as the functions, assets, and liabilities of the Secretary of Health and Human Services will be permanently transferred to the Secretary of Education.

**HEALTH EDUCATION ASSISTANCE LOANS FINANCING ACCOUNT**

**Program and Financing** (in millions of dollars)

Identification code 91-4300-0-3-552	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
Credit program obligations:			
0711	Default claim payments on principal		12
0712	Default claim payments on interest		3
0900	Total new obligations		15
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000	Unobligated balance brought forward, Oct 1		
1011	Unobligated balance transferred from other accounts		67
1050	Unobligated balance (total)		67
Financing authority:			
Spending authority from offsetting collections, mandatory:			
1800	Collected		7
1930	Total budgetary resources available		74
Memorandum (non-add) entries:			
1941	Unexpired unobligated balance, end of year		59
<b>Change in obligated balance:</b>			
3030	Obligations incurred, unexpired accounts		15
3040	Financing disbursements (gross)		-15

**HEALTH EDUCATION ASSISTANCE LOANS LIQUIDATING ACCOUNT**

**Program and Financing** (in millions of dollars)

Identification code 91-4299-0-3-552	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
Credit program obligations:			
0713	Payment of interest to Treasury		2
<b>Budgetary Resources:</b>			
Budget authority:			
Appropriations, mandatory:			
1200	Appropriation		1
Spending authority from offsetting collections, mandatory:			
1800	Collected		10
1820	Capital transfer of spending authority from offsetting collections to general fund		-9
1850	Spending auth from offsetting collections, mand (total)		1
1900	Budget authority (total)		2
1930	Total budgetary resources available		2
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000	Unpaid obligations, brought forward, Oct 1 (gross)		
3030	Obligations incurred, unexpired accounts		2
3040	Outlays (gross)		-2

**HEALTH EDUCATION ASSISTANCE LOANS LIQUIDATING ACCOUNT—Continued**  
**Program and Financing—Continued**

Identification code 91-4299-0-3-552	2010 actual	CR	2012 est.
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross) .....			
<b>Budget authority and outlays, net:</b>			
Mandatory:			
4090 Budget authority, gross .....			2
Outlays, gross:			
4100 Outlays from new mandatory authority .....			2
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4123 Non-Federal sources .....			-10
4160 Budget authority, net (mandatory) .....			-8
4170 Outlays, net (mandatory) .....			-8
4180 Budget authority, net (total) .....			-8
4190 Outlays, net (total) .....			-8

**Status of Guaranteed Loans (in millions of dollars)**

Identification code 91-4299-0-3-552	2010 actual	CR	2012 est.
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year .....			
2251 Repayments and prepayments .....			-13
Adjustments:			
2261 Terminations for default that result in loans receivable .....			-1
2263 Terminations for default that result in claim payments .....			-1
2264 Other adjustments, net .....			85
2290 Outstanding, end of year .....			70
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year .....			70
Addendum:			
Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310 Outstanding, start of year .....			
2331 Disbursements for guaranteed loan claims .....			1
2351 Repayments of loans receivable .....			-10
2364 Other adjustments, net .....			371
2390 Outstanding, end of year .....			362

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 HEAL loans committed prior to 1992. This account is shown on a cash basis. All loan activity in this program for 1992 and beyond is recorded in corresponding program and financing accounts.

**Object Classification (in millions of dollars)**

Identification code 91-4299-0-3-552	2010 actual	CR	2012 est.
Direct obligations:			
33.0 Investments and loans .....			1
42.0 Insurance claims and indemnities .....			1
99.9 Total new obligations .....			2

**INSTITUTE OF EDUCATION SCIENCES**

**Federal Funds**

INSTITUTE OF EDUCATION SCIENCES

For carrying out activities authorized by the Education Sciences Reform Act of 2002, the National Assessment of Educational Progress Authorization Act, section 208 of the Educational Technical Assistance Act of 2002, and section 664 of the Individuals with Disabilities Education Act, \$760,473,000, to remain available through September 30, 2013: Provided, That funds available to carry out section 208 of the Educational Technical Assistance Act may be used for Statewide data systems that include

postsecondary and workforce information and information on children of all ages: Provided further, That up to \$15,000,000 of the funds available to carry out section 208 of the Educational Technical Assistance Act may be used for awards to public or private organizations or agencies to support activities to improve data coordination, quality, and use at the local, State, and national levels.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

**Program and Financing (in millions of dollars)**

Identification code 91-1100-0-1-503	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0001 Research, development, and dissemination .....	215	200	260
0002 Statistics .....	105	112	117
0003 Regional educational laboratories .....	70	71	70
0004 Assessment .....	135	143	144
0005 Research in special education .....	72	79	58
0006 Statewide data systems .....	303	58	107
0007 Special education studies and evaluations .....	13	11	11
0091 Direct program activities, subtotal .....	913	674	767
0100 Total direct program .....	913	674	767
0801 Reimbursable program .....	1	1	1
0900 Total new obligations .....	914	675	768

**Budgetary Resources:**

Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	259	22	7
1021 Recoveries of prior year unpaid obligations .....	17		
1050 Unobligated balance (total) .....	276	22	7
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	659	659	760
Spending authority from offsetting collections, discretionary:			
1700 Collected .....		1	1
1701 Change in uncollected payments, Federal sources .....	1		
1750 Spending auth from offsetting collections, disc (total) .....	1	1	1
1900 Budget authority (total) .....	660	660	761
1930 Total budgetary resources available .....	936	682	768
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	22	7	

**Change in obligated balance:**

Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross) .....	934	1,240	1,207
3010 Uncollected pymts, Fed sources, brought forward, Oct 1 .....	-1	-1	
3020 Obligated balance, start of year (net) .....	933	1,239	1,207
3030 Obligations incurred, unexpired accounts .....	914	675	768
3031 Obligations incurred, expired accounts .....	1		
3040 Outlays (gross) .....	-579	-708	-648
3050 Change in uncollected pymts, Fed sources, unexpired .....	-1		
3051 Change in uncollected pymts, Fed sources, expired .....	1	1	
3080 Recoveries of prior year unpaid obligations, unexpired .....	-17		
3081 Recoveries of prior year unpaid obligations, expired .....	-13		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross) .....	1,240	1,207	1,327
3091 Uncollected pymts, Fed sources, end of year .....	-1		
3100 Obligated balance, end of year (net) .....	1,239	1,207	1,327

**Budget authority and outlays, net:**

Discretionary:			
4000 Budget authority, gross .....	660	660	761
Outlays, gross:			
4010 Outlays from new discretionary authority .....	109	52	43
4011 Outlays from discretionary balances .....	470	656	605
4020 Outlays, gross (total) .....	579	708	648
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4030 Federal sources .....	-1	-1	-1
Additional offsets against gross budget authority only:			
4050 Change in uncollected pymts, Fed sources, unexpired .....	-1		
4052 Offsetting collections credited to expired accounts .....	1		
4060 Additional offsets against budget authority only (total) .....			
4070 Budget authority, net (discretionary) .....	659	659	760
4080 Outlays, net (discretionary) .....	578	707	647

4180	Budget authority, net (total) .....	659	659	760
4190	Outlays, net (total) .....	578	707	647

99.9	Total new obligations .....	914	675	768
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**Employment Summary**

Identification code 91-1100-0-1-503	2010 actual	CR	2012 est.
1001 Direct civilian full-time equivalent employment .....	14	15	15

**DEPARTMENTAL MANAGEMENT  
Federal 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 three passenger motor vehicles, \$479,038,000, of which \$2,711,000, to remain available until expended, shall be for relocation of, and renovation of buildings occupied by, Department staff: Provided, That of the funds made available under this heading, \$2,696,100 shall be for strengthening the capacity and capabilities of the acquisition workforce (as defined by the Office of Federal Procurement Policy Act, as amended (41 U.S.C. 401 et seq.)), including the recruitment, hiring, training, and retention of such workforce and information technology in support of acquisition workforce effectiveness or for management solutions to improve acquisition management.*

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

**Program and Financing (in millions of dollars)**

Identification code 91-0800-0-1-503	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0001 Program administration .....	464	458	479
0801 Reimbursable program .....	3	3	3
0900 Total new obligations .....	467	461	482
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	9	2	.....
1021 Recoveries of prior year unpaid obligations .....	1	.....	.....
1050 Unobligated balance (total) .....	10	2	.....
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	456	456	479
Spending authority from offsetting collections, discretionary:			
1700 Collected .....	3	3	3
1900 Budget authority (total) .....	459	459	482
1930 Total budgetary resources available .....	469	461	482
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	2	.....	.....
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross) .....	124	147	131
3010 Uncollected pymts, Fed sources, brought forward, Oct 1 .....	-2	-1	-1
3020 Obligated balance, start of year (net) .....	122	146	130
3030 Obligations incurred, unexpired accounts .....	467	461	482
3031 Obligations incurred, expired accounts .....	4	.....	.....
3040 Outlays (gross) .....	-440	-477	-469
3051 Change in uncollected pymts, Fed sources, expired .....	1	.....	.....
3080 Recoveries of prior year unpaid obligations, unexpired .....	-1	.....	.....
3081 Recoveries of prior year unpaid obligations, expired .....	-7	.....	.....
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross) .....	147	131	144
3091 Uncollected pymts, Fed sources, end of year .....	-1	-1	-1
3100 Obligated balance, end of year (net) .....	146	130	143
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....	459	459	482
Outlays, gross:			
4010 Outlays from new discretionary authority .....	356	363	376
4011 Outlays from discretionary balances .....	80	110	92

**Research and Statistics:**

*Research, development, and dissemination.*—Funds support a diverse portfolio of investigator-led research and development, evaluation studies, research and development centers, and dissemination activities that provide parents, teachers, and schools with evidence-based information on effective educational practice. Funds requested in 2012 would be used to expand research and evaluation efforts on topics in early childhood, elementary, secondary, and postsecondary education.

*Statistics.*—Funds support the Department's statistical data collection activities, which are conducted by the National Center for Education Statistics (NCES). NCES collects, analyzes, and disseminates statistics on education at all levels, from preschool through postsecondary and adult education, including statistics on international education activities. The 2012 request would allow NCES to continue its on-going portfolio of activities as well as to collect and report information on sub-baccalaureate education and training for adults and to make selected strategic improvements to the statistics program.

*Regional educational laboratories.*—Funds support a network of 10 regional laboratories that provide expert advice, including training and technical assistance, to help States and school districts apply proven research findings in their school improvement efforts.

*Assessment.*—Funds support the National Assessment of Educational Progress (NAEP). NAEP administers assessments to samples of students in order to gather reliable information about educational attainment in important academic areas. The request for 2012 would support the 2012 grade 12 economics assessment, the 2012 long-term trend assessment, analysis of assessments conducted prior to 2012, and preparation for future assessments.

*Research in special education.*—Funds support research to address gaps in scientific knowledge in order to improve special education and early intervention services and results for infants, toddlers, and children with disabilities.

*Statewide data systems.*—Funds support competitive awards to State educational agencies to foster the design, development, and implementation of longitudinal data systems. In 2012, funding would support systems that include postsecondary and workforce information and information on children of all ages and also would support awards to public and private agencies to improve data coordination, quality, and use at the local, State, and national levels.

*Special education studies and evaluations.*—Funds support studies, evaluations, and assessments related to the implementation of the Individuals with Disabilities Education Act in order to improve special education and early intervention services and results for infants, toddlers, and children with disabilities.

**Object Classification (in millions of dollars)**

Identification code 91-1100-0-1-503	2010 actual	CR	2012 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent .....	1	1	1
11.3 Other than full-time permanent .....	1	1	1
11.9 Total personnel compensation .....	2	2	2
25.1 Advisory and assistance services .....	27	24	26
25.2 Other services from non-federal sources .....	223	260	253
25.5 Research and development contracts .....	124	124	130
41.0 Grants, subsidies, and contributions .....	535	263	353
99.0 Direct obligations .....	911	673	764
99.0 Reimbursable obligations .....	1	1	1
99.5 Below reporting threshold .....	2	1	3

PROGRAM ADMINISTRATION—Continued  
Program and Financing—Continued

Identification code 91-0800-0-1-503	2010 actual	CR	2012 est.
4020 Outlays, gross (total) .....	436	473	468
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4030 Federal sources .....	-3	-3	-3
4033 Non-Federal sources .....	-1		
4040 Offsets against gross budget authority and outlays (total) ....	-4	-3	-3
Additional offsets against gross budget authority only:			
4052 Offsetting collections credited to expired accounts .....	1		
4070 Budget authority, net (discretionary) .....	456	456	479
4080 Outlays, net (discretionary) .....	432	470	465
Mandatory:			
Outlays, gross:			
4101 Outlays from mandatory balances .....	4	4	1
4180 Budget authority, net (total) .....	456	456	479
4190 Outlays, net (total) .....	436	474	466

The Program Administration account includes the direct Federal costs of providing grants and administering elementary and secondary education; Indian education; English language acquisition; higher education; career, technical, and adult education; special education programs; and programs for persons with disabilities. It also supports assessment, statistics, and research 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; contractual services; financial management and accounting, including payments to schools, education agencies and other grant recipients, and preparation of auditable financial statements; information technology services; personnel management; personnel security; budget formulation and execution; legal services; congressional and public relations; and intergovernmental affairs.

Included in this account is the Department of Education's cost to relocate staff and renovate buildings occupied by Department staff.

Also included in this account are contributions from the public. Activities supported include receptions for Blue Ribbon Schools and Historically Black Colleges and Universities. Contributions not designated for a specific purpose are in the account's Gifts and Bequests Miscellaneous Fund.

*Reimbursable program.*—Reimbursements to this account are for providing administrative services to other agencies.

Object Classification (in millions of dollars)

Identification code 91-0800-0-1-503	2010 actual	CR	2012 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent .....	190	220	221
11.3 Other than full-time permanent .....	31	12	12
11.5 Other personnel compensation .....	4	4	4
11.9 Total personnel compensation .....	225	236	237
12.1 Civilian personnel benefits .....	58	63	63
21.0 Travel and transportation of persons .....	6	7	7
23.1 Rental payments to GSA .....	42	41	46
23.3 Communications, utilities, and miscellaneous charges .....	2	2	2
24.0 Printing and reproduction .....	2	2	2
25.1 Advisory and assistance services .....	3	2	4
25.2 Other services from non-federal sources .....	17	19	19
25.3 Other goods and services from federal sources .....	27	28	30
25.7 Operation and maintenance of equipment .....	64	48	64
26.0 Supplies and materials .....	1	1	1
31.0 Equipment .....	4	4	1
32.0 Land and structures .....	13	4	2
99.0 Direct obligations .....	464	457	478
99.0 Reimbursable obligations .....	2	3	3

99.5 Below reporting threshold .....	1	1	1
99.9 Total new obligations .....	467	461	482

Employment Summary

Identification code 91-0800-0-1-503	2010 actual	CR	2012 est.
1001 Direct civilian full-time equivalent employment .....	2,024	2,135	2,143

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, \$107,772,000.*

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 91-0700-0-1-751	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0001 Civil rights .....	102	103	108
<b>Budgetary Resources:</b>			
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	103	103	108
1930 Total budgetary resources available .....	103	103	108
Memorandum (non-add) entries:			
1940 Unobligated balance expiring .....	-1		
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross) .....	20	21	25
3030 Obligations incurred, unexpired accounts .....	102	103	108
3031 Obligations incurred, expired accounts .....	1		
3040 Outlays (gross) .....	-99	-99	-106
3081 Recoveries of prior year unpaid obligations, expired .....	-3		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross) .....	21	25	27
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....	103	103	108
Outlays, gross:			
4010 Outlays from new discretionary authority .....	87	87	91
4011 Outlays from discretionary balances .....	12	12	15
4020 Outlays, gross (total) .....	99	99	106
4180 Budget authority, net (total) .....	103	103	108
4190 Outlays, net (total) .....	99	99	106

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, the Americans with Disabilities Act of 1990, and the Boy Scouts of America Equal Access Act of 2002.



**Object Classification** (in millions of dollars)

Identification code 91-0700-0-1-751	2010 actual	CR	2012 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	55	58	60
11.3 Other than full-time permanent .....	4	3	3
11.5 Other personnel compensation .....	1	1	1
11.9 Total personnel compensation .....	60	62	64
12.1 Civilian personnel benefits .....	16	17	17
21.0 Travel and transportation of persons .....	1	1	1
23.1 Rental payments to GSA .....	8	8	9
25.2 Other services from non-federal sources .....	2	2	2
25.3 Other goods and services from federal sources .....	3	3	3
25.7 Operation and maintenance of equipment .....	11	10	12
31.0 Equipment .....	1		
99.9 Total new obligations .....	102	103	108

**Employment Summary**

Identification code 91-0700-0-1-751	2010 actual	CR	2012 est.
1001 Direct civilian full-time equivalent employment .....	584	614	618

**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, \$67,187,000.*

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

**Program and Financing** (in millions of dollars)

Identification code 91-1400-0-1-751	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0001 Inspector General .....	62	66	72
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	13	11	5
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	60	60	67
1930 Total budgetary resources available .....	73	71	72
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	11	5	
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross) .....	13	14	14
3030 Obligations incurred, unexpired accounts .....	62	66	72
3031 Obligations incurred, expired accounts .....	1		
3040 Outlays (gross) .....	-61	-66	-68
3081 Recoveries of prior year unpaid obligations, expired .....	-1		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross) .....	14	14	18
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....	60	60	67
Outlays, gross:			
4010 Outlays from new discretionary authority .....	50	48	54
4011 Outlays from discretionary balances .....	11	18	14
4020 Outlays, gross (total) .....	61	66	68
Additional offsets against gross budget authority only:			
4052 Offsetting collections credited to expired accounts .....			
4070 Budget authority, net (discretionary) .....	60	60	67
4080 Outlays, net (discretionary) .....	61	66	68
4180 Budget authority, net (total) .....	60	60	67
4190 Outlays, net (total) .....	61	66	68

The Inspector General is responsible for the quality, coverage, and coordination of audit and investigation 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. This account includes \$14 million, available through 2012, for oversight and audit of programs, grants, and activities funded by the American Recovery and Reinvestment Act of 2009.

**Object Classification** (in millions of dollars)

Identification code 91-1400-0-1-751	2010 actual	CR	2012 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	27	33	34
11.3 Other than full-time permanent .....	2		2
11.5 Other personnel compensation .....	3	1	1
11.9 Total personnel compensation .....	32	34	37
12.1 Civilian personnel benefits .....	10	12	13
21.0 Travel and transportation of persons .....	2	3	3
23.1 Rental payments to GSA .....	5	6	6
25.1 Advisory and assistance services .....	4	3	4
25.2 Other services from non-federal sources .....	1	2	2
25.3 Other goods and services from federal sources .....	2	2	2
25.7 Operation and maintenance of equipment .....	4	4	4
31.0 Equipment .....	1		
99.0 Direct obligations .....	61	66	71
99.5 Below reporting threshold .....	1		1
99.9 Total new obligations .....	62	66	72

**Employment Summary**

Identification code 91-1400-0-1-751	2010 actual	CR	2012 est.
1001 Direct civilian full-time equivalent employment .....	304	324	352

**HURRICANE EDUCATION RECOVERY**

*Federal Funds*

HURRICANE EDUCATION RECOVERY

**Program and Financing** (in millions of dollars)

Identification code 91-0013-0-1-500	2010 actual	CR	2012 est.
<b>Budgetary Resources:</b>			
1930 Total budgetary resources available .....			
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross) .....	120	93	1
3040 Outlays (gross) .....	-25	-92	
3081 Recoveries of prior year unpaid obligations, expired .....	-2		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross) .....	93	1	1
<b>Budget authority and outlays, net:</b>			
Discretionary:			
Outlays, gross:			
4011 Outlays from discretionary balances .....	25	92	
4180 Budget authority, net (total) .....			
4190 Outlays, net (total) .....	25	92	

HURRICANE EDUCATION RECOVERY—Continued

Amounts in this schedule reflect balances that are spending out from prior-year appropriations.

**GENERAL FUND RECEIPT ACCOUNTS**

(in millions of dollars)

	2010 actual	CR	2012 est.
Offsetting receipts from the public:			
91-143500 General Fund Proprietary Interest Receipts, not Otherwise Classified .....	30	20	20
91-271810 Federal Family Education Loan Program, Negative Subsidies .....	4,712		
Legislative proposal, subject to PAYGO .....			2,393
91-271830 Federal Family Education Loan Program, Downward Reestimates of Subsidies .....	11,677	24,670	
91-274130 College Housing and Academic Facilities Loan, Downward Reestimates of Subsidies .....	92	23	
91-278110 Federal Direct Student Loan Program, Negative Subsidies .....	6,310	16,398	21,726
Legislative proposal, subject to PAYGO .....			984
91-278130 Federal Direct Student Loan Program, Downward Reestimates of Subsidies .....	6,065	8,471	
91-278310 Federal Perkins Loan, Negative Subsidies .....			578
91-279410 TEACH Grant Program, Negative Subsidies .....	1		
91-279430 TEACH Grant Program, Downward Reestimates of Subsidies .....		6	
91-291500 Repayment of Loans, Capital Contributions, Higher Education Activities .....	22	28	28
91-322000 All Other General Fund Proprietary Receipts Including Budget Clearing Accounts .....	120	47	47
General Fund Offsetting receipts from the public .....	29,029	49,663	25,776
Intragovernmental payments:			
91-388500 Undistributed Intragovernmental Payments and Receivables from Cancelled Accounts .....	20	4	4
General Fund Intragovernmental payments .....	20	4	4

**GENERAL PROVISIONS**

SEC. 301. 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. 302. 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. 303. No funds appropriated in this Act may be used to prevent the implementation of programs of voluntary prayer and meditation in the public schools.

(TRANSFER OF FUNDS)

SEC. 304. Not to exceed 1 percent of any discretionary funds (pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985) which are appropriated for the Department of Education in this Act may be transferred between appropriations, but no such appropriation shall be increased by more than 3 percent by any such transfer: Provided, That the transfer authority granted by this section shall be available only to meet emergency needs and shall not be used to create any new program or to fund any project or activity for which no funds are provided in this Act: Provided further, That the Committees on Appropriations of the House of Representatives and the Senate are notified at least 15 days in advance of any transfer.

SEC. 305. The Outlying Areas may consolidate funds received under this Act, pursuant to 48 U.S.C. 1469a, under part A of title V of the Elementary and Secondary Education Act.

SEC. 306. Section 105(f)(1)(B)(ix) of the Compact of Free Association Amendments Act of 2003 (48 U.S.C. 1921d(f)(1)(B)(ix)) shall be applied by substituting "2012" for "2009".

SEC. 307. (a) Section 206 of the Department of Education Organization Act (20 U.S.C. 3416) is amended —

(1) by striking the heading and inserting "Office of Career, Technical, and Adult Education";

(2) by striking "Office of Vocational and Adult Education" and inserting "Office of Career, Technical, and Adult Education";

(3) by striking "Assistant Secretary for Vocational and Adult Education" and inserting "Assistant Secretary for Career, Technical, and Adult Education" and

(4) by striking "vocational and adult education" each place it appears and inserting "career, technical, and adult education".

(b) Section 202 of the Department of Education Organization Act (20 U.S.C. 3412) is amended —

(1) in subsection (b)(1)(C), by striking "Assistant Secretary for Vocational and Adult Education" and inserting "Assistant Secretary for Career, Technical, and Adult Education"; and

(2) in subsection (h) by striking "Assistant Secretary for Vocational and Adult Education" each place it appears and inserting "Assistant Secretary for Career, Technical, and Adult Education".

(c) Section 1 of the Department of Education Organization Act (20 U.S.C. 3401 note) is amended by striking the entry for section 206 and inserting "Sec. 206. Office of Career, Technical, and Adult Education".

(d) Section 114(b)(1) of the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2324 (b)(1)) is amended by striking "Office of Vocational and Adult Education" and inserting "Office of Career, Technical, and Adult Education".

SEC. 308. Of discretionary funds appropriated for the current fiscal year for the Department of Education, not to exceed \$5,000,000 may be transferred to the Department of Housing and Urban Development to support an interagency neighborhood revitalization program.