



DEPARTMENT OF EDUCATION

Funding Highlights:

- Provides \$68.6 billion in discretionary funding for the Department of Education to build upon investments in preschool access, ongoing K-12 reforms, and efforts to make college an affordable and valuable investment for all Americans. Activities supported at the Department include:
 - Establishing a landmark Preschool for All initiative, to ensure that America's four-year-olds have access to a high-quality early education;
 - Introducing a new Race to the Top Equity and Opportunity competition centered on increasing the academic performance of high-need students and closing the achievement gap;
 - Supporting the ConnectED initiative that will connect 99 percent of American students to the digital age, by providing teachers the professional development and support they need to take full advantage of next-generation broadband and high-speed wireless networks in schools and libraries and provide high-quality instruction that prepares students for college and careers;
 - Investing in high school redesign, to create more innovative schools that personalize teaching and learning for students, prepare students early to succeed in college and careers, and expose them to the demands of our high-tech economy;
 - Making our schools safer through the President's Now Is the Time initiative to reduce gun violence and prevent future tragedies;
 - Maintaining investments in formula programs that support low-income and high-need students, including Title I Grants to Local Educational Agencies and Special Education Grants to States;
 - Investing in programs that are driving change on the ground for school-aged children such as Promise Neighborhoods, the Teacher Incentive Fund, Investing in Innovation, and School Improvement Grants;
 - Implementing the President's plan to make college more affordable and improve outcomes by supporting the development of a new college ratings system, spurring performance-based reforms at the State level, rewarding institutions that produce strong outcomes for Pell Grant recipients, and helping borrowers manage their student loan debt; and

- Supporting and testing innovative strategies and practices that improve college completion rates and make college more affordable, particularly for low-income students, through the First in the World fund, to help meet the goal of having the highest proportion of college graduates in the world by 2020.

Opportunity, Growth, and Security Initiative:

- Through the Opportunity, Growth, and Security Initiative, supports:
 - Additional Preschool Development Grants to reach two-thirds of States by 2015, laying a stronger foundation for Preschool for All; and
 - Additional funds to expand access to professional development to a total of 100,000 teachers in 500 districts to take greater advantage of the universal broadband provided through the ConnectED initiative; supporting 35 additional Promise Neighborhoods; and investing more intensively in high school redesign and closing the achievement gap through Race to the Top.

Reforms:

- Improves the impact of the Federal investment in science, technology, engineering, and mathematics (STEM) education by creating a fresh framework for delivering STEM education, supporting what works, and reducing fragmentation.
- Targets campus-based student aid programs so that funding goes to institutions that are effective in enrolling and graduating Pell Grant-eligible students and keeping their costs low.

Americans must be prepared with the skills and knowledge necessary to compete in the 21st Century economy. Expanding educational opportunities is critical to equipping all children with these skills and positioning them to succeed as adults. Under the leadership of the Department of Education (ED), the Administration has increased access to preschool, spurred sweeping reforms in K-12 education that are showing results, and made going to college an accessible dream for more Americans. For example, high school graduation rates have reached the highest level on record, and students are making gains in reading and math, especially in States that have undertaken reforms to raise standards, improve teacher effectiveness, and turn around low-performing schools. Pell Grants are larger than when the President took office and are currently helping nearly nine million students afford a college education. The Budget continues an emphasis on early education and on making college more affordable—investments that lead to a brighter

future. In addition, the Budget builds on ongoing K-12 reforms with a new Race to the Top Equity and Opportunity competition that will help ensure all children have access to a high-quality education that helps them meet high academic standards. The Budget also includes new investments to help school districts prepare teachers for the digital age, and to redesign America's high schools to prepare students early for success in college and in high-demand careers.

Enhances Access to High-Quality Early Childhood Education

The President believes that all children should have access to a high-quality preschool education. Research has shown that supporting children at this stage of life leads to significant benefits in school and beyond. This is particularly true for low-income children, who often start kindergarten academically behind their peers by many months. Providing high-quality early childhood

education to all children will enable them to start school ready to learn and realize their full potential. The Budget maintains support for the landmark 2014 Preschool for All proposal to ensure four-year-olds across the Nation have access to high-quality preschool programs. The proposal, financed through an increase in the tobacco tax, establishes a Federal-State partnership to provide all low- and moderate-income four-year-old children with high-quality preschool, while providing States with incentives to expand these programs to reach additional children from middle class families and put in place full-day kindergarten policies. To support this effort, the Budget also proposes to double the Department's current discretionary investment in preschool by funding Preschool Development Grants at \$500 million in 2015. An additional \$250 million would be provided through the Opportunity, Growth, and Security Initiative, for a total discretionary investment of \$750 million. This would be sufficient funding to reach two-thirds of States by 2015, laying a stronger foundation for Preschool for All. These grants will ensure that States and localities willing to commit to expanding preschool access are able to make the critical investments necessary to support high-quality programs. The preschool initiative is coupled with companion investments in the Department of Health and Human Services (HHS) in voluntary home visiting and high-quality early care and education for infants and toddlers.

Targets the Achievement Gap Through a New Race to the Top Competition

As the 2013 report by the Equity and Excellence Commission made clear, the problem of inequitable opportunities for students in the Nation's highest poverty schools denies those students the quality education needed to compete successfully in the global economy and imposes a substantial economic cost on the Nation. The Budget acts on the findings in this report by proposing a new \$300 million Race to the Top (RTT) Equity and Opportunity competition centered on closing the achievement gap. Additional resources would be provided through the Opportunity, Growth, and Security Initiative. The RTT initiative will link

together State and local fiscal, student achievement, and human resource data systems, allowing them to work in concert to provide underserved students access to high-quality teachers and leaders, coursework, and other evidence-based supports. RTT Equity and Opportunity grants will reward tracking resources at the school level and using data, including return on investment metrics, to target intensive interventions to schools that most need the extra help. The initiative will also leverage resources from other Federal programs, such as Title I Grants and State Longitudinal Data Systems, which the Budget proposes to double in funding to \$70 million. The Budget maintains significant investments in Title I Grants and Individuals with Disabilities Education Act (IDEA) Grants to States to ensure communities receive a critical base of support for their low-income and high-need students.

Supports Teachers and Helps Prepare Them for the Digital Age

The President has called on the Federal Communications Commission to take steps to connect 99 percent of American students to the digital age through next-generation broadband and high-speed wireless networks in their schools and libraries. The Budget proposes \$200 million for a ConnectEDucators initiative to ensure that students receive the full benefit of this connectivity by providing professional development opportunities and high-quality digital instructional resources to teachers to help them make effective use of these new resources. The Opportunity, Growth, and Security Initiative would add \$300 million to this initiative to provide a total of 100,000 teachers in 500 school districts across the United States with access to professional development in this area. In addition, the Budget proposes \$5 billion in mandatory funds for RESPECT (Recognizing Educational Success, Professional Excellence, and Collaborative Teaching) grants to support teachers by improving preparation and early career assistance; helping teachers as they lead the transition to college- and career-ready standards; and ensuring that teachers have a supportive work environment.

Redesigns High Schools to Teach Real-World Skills

The President has called for a comprehensive effort to rethink the high school experience, challenging schools to scale up innovative models that personalize teaching and learning for students, so that they receive the rigorous and relevant education needed to graduate and transition into postsecondary learning and adulthood. The Budget provides \$150 million for a new program to redesign high schools to focus on providing students with challenging, relevant learning experiences, and reward schools that build new partnerships with colleges, employers, and other partners to enhance instruction and to help develop the knowledge and skills students need for success in today's economy. Additional resources would be provided through the Opportunity, Growth, and Security Initiative.

Builds on High-Priority School Safety and STEM Initiatives

The Budget invests in the President's plan to reduce gun violence and increase school safety, building on efforts underway in 2014. The Budget provides \$80 million to help schools create safer and more nurturing school climates through evidence-based behavioral intervention practices, provide support and services to children exposed to pervasive violence, collect data on school safety and climate, and disseminate best practices. This investment will continue the collaboration with the Department of Justice and HHS to support comprehensive school safety strategies and to increase access to mental health services.

The Budget proposes a fresh Government-wide reorganization of STEM education programs designed to enable more strategic investment in STEM education and more critical evaluation of outcomes. This proposal reduces fragmentation of STEM education programs across Government, and focuses efforts around the five key areas identified by the Federal STEM Education 5-Year Strategic Plan: P-12 instruction; undergraduate education; graduate education; broadening participation in STEM to women and minorities

traditionally underrepresented in these fields; and education activities that typically take place outside of the classroom. In line with the reorganization, the Budget provides \$170 million to ED to lead a cohesive and robust initiative around transforming STEM teaching and learning and working toward the President's goal of recruiting, preparing, and retaining 100,000 effective STEM teachers over the next decade.

Advances K-12 Reforms Through Programs Showing Results

The Department of Education has focused its reforms on building evidence and improving outcomes. ED's most mature reforms are its signature K-12 initiatives—RTT, Investing in Innovation (i3), School Improvement Grants (SIG), Teacher Incentive Fund (TIF), and Promise Neighborhoods—which have contributed to a sea change in how schools across the Nation deliver education. The Budget continues to invest in these priority programs, the successes of which are now becoming apparent:

- States have made major reforms in their teacher and principal evaluation policies, supported by investments in TIF and RTT that will help identify, reward, and support effective teachers and principals;
- The i3 program is helping to uncover what works in education through rigorous evaluations of projects focused on supporting our educators in delivering effective instruction; ensuring successful implementation of high-quality standards and assessments; and improving our low-performing schools;
- By next year, nearly 40 percent of the Nation's 5,000 lowest achieving schools will be implementing turn-around strategies; early data indicate significant achievement gains in many of the SIG schools that outpace the national average;
- Forty-six States are implementing rigorous college- and career-ready academic standards and nearly all will field test

performance-based assessments tied to those standards this spring, a movement fueled by previous RTT grants. The eight States that implemented college- and career-ready standards (as part of RTT) in time for the latest National Assessment of Educational Progress exams showed improvement from 2009 to 2013 in either reading or math scores, and large cities made even greater gains; and

- The President named the first five Promise Zones in January 2014, and 15 other communities will be created in the year ahead. In support of the goals of this initiative, the Budget requests \$100 million to support current Promise Neighborhoods and create up to five more and the Opportunity, Growth, and Security Initiative adds \$200 million to support another 35 awards.

Makes a High-Quality College Education More Affordable

The President has placed a high priority on making college affordable and helping Americans obtain a meaningful college degree. Beginning in 2009, the Administration has increased the maximum Pell Grant by \$1,000, to \$5,730 in school year 2014-15, and provided additional tax benefits to help families pay for college. The Administration ended the inefficient guaranteed student loan program, using those savings to fund the Pell Grant program, and has expanded the income-driven repayment options available to borrowers so they can manage their student loan debt. In addition, in 2013, ED introduced the College Scorecard to assist prospective students and their families when searching for and selecting a college, and the President announced the development of a college ratings system to identify schools providing the best value and encourage all institutions to improve student access, affordability, and outcomes. The Budget builds on this progress and charts a path forward on the President's plan to make college more affordable and provide a better bargain for the middle class.

Supports a New College Ratings System, Bonuses, and Pell Grant Reforms to Improve Performance and Outcomes in Higher Education. In August, the President directed ED to develop and publish a new college ratings system that will identify colleges that provide the best value to students and encourage all colleges to improve. The Budget supports the development and refinement of the ratings system through funding for data initiatives or other necessary projects. The Budget provides new College Opportunity and Graduation Bonuses to reward colleges for improving educational outcomes for low- and moderate-income students. In addition, the Administration will provide Pell Grant eligibility to students who are co-enrolled in adult and postsecondary education as part of a career pathway program to allow adults without a high school diploma to gain the knowledge and skills they need to secure a good job. The Administration will also strengthen academic progress requirements in the Pell Grant program to encourage students to complete their studies on time.

Promotes Innovation and Competition in Higher Education. There are many promising reforms at both the State and institutional levels that the Administration seeks to encourage. In particular, there is the potential for breakthroughs on cost and quality through State reforms—such as performance-based funding and strong alignment between the K-12, postsecondary, and workforce systems—and institutional innovations, such as accelerated degrees and competency-based education. The Federal Government can act as a catalyst for innovation by investing in promising policies and practices and challenging States and higher education institutions to offer students a greater range of affordable, high-quality options. The Budget increases investment in the First in the World fund to \$100 million, which will support and test promising institutional innovations and practices that improve educational outcomes and make college more affordable for students and families.

The Budget also provides \$75 million for College Success Grants to support sustainable strategies to reduce costs and improve student outcomes at Minority Serving Institutions. In addition, the Budget funds pilot and demonstration programs to test various approaches that improve student outcomes, supports post-secondary evaluation, and provides for more frequent data collection through the National Postsecondary Student Aid Survey. In adult education, the Administration is spurring innovation through the creation of model public-private partnerships to increase access to high-quality programs and improve participant outcomes. In addition, the Budget proposes a \$4 billion mandatory fund to support States that are committed to investing in higher education and improving performance and outcomes at their public higher education institutions.

Ensures that Student Debt Remains Affordable. The Administration is helping student borrowers with existing debt manage their obligations through income-driven repayment plans such as Pay-As-You-Earn (PAYE) that cap student loan payments at 10 percent of discretionary income. ED has contacted struggling borrowers to make sure they are aware of these new options, and ensure that they have the information they need to choose the best plan for them. The Budget proposes to extend PAYE to all student borrowers and reform the PAYE terms to ensure that the program is well-targeted and provides a safeguard against rising tuition at high-cost institutions.