

DEPARTMENT OF EDUCATION

OFFICE OF ELEMENTARY AND SECONDARY EDUCATION

Federal Funds

EDUCATION FOR THE DISADVANTAGED

For carrying out [title I of the Elementary and Secondary Education Act of 1965 (referred to in this Act as "ESEA") and] section 418A of the Higher Education Act of 1965, [(referred to in this Act as "HEA"), \$15,536,107,000, of which \$4,652,762,000 shall become available on July 1, 2015, and shall remain available through September 30, 2016, and of which \$10,841,177,000 shall become available on October 1, 2015, and shall remain available through September 30, 2016, for academic year 2015–2016: *Provided*, That \$6,459,401,000 shall be for basic grants under section 1124 of the ESEA: *Provided further*, That up to \$3,984,000 of these funds shall be available to the Secretary of Education (referred to in this title as "Secretary") on October 1, 2014, to obtain annually updated local educational agency-level census poverty data from the Bureau of the Census: *Provided further*, That \$1,362,301,000 shall be for concentration grants under section 1124A of the ESEA: *Provided further*, That \$3,294,050,000 shall be for targeted grants under section 1125 of the ESEA: *Provided further*, That \$3,294,050,000 shall be for education finance incentive grants under section 1125A of the ESEA: *Provided further*, That funds available under sections 1124, 1124A, 1125 and 1125A of the ESEA may be used to provide homeless children and youths with services not ordinarily provided to other students under those sections, including supporting the liaison designated pursuant to section 722(g)(1)(J)(ii) of the McKinney-Vento Homeless Assistance Act, and providing transportation pursuant to section 722(g)(1)(J)(iii) of such Act: *Provided further*, That \$710,000 shall be to carry out sections 1501 and 1503 of the ESEA: *Provided further*, That \$505,756,000 shall be available for school improvement grants under section 1003(g) of the ESEA, which shall be allocated by the Secretary through the formula described in section 1003(g)(2) and shall be used consistent with the requirements of section 1003(g), except that State and local educational agencies may use such funds to serve any school eligible to receive assistance under part A of title I that has not made adequate yearly progress for at least 2 years or is in the State's lowest quintile of performance based on proficiency rates and, in the case of secondary schools, priority shall be given to those schools with graduation rates below 60 percent: *Provided further*, That notwithstanding section 1003(g)(5)(C) of the ESEA, the Secretary may permit a State educational agency to establish an award period of up to 5 years for each participating local educational agency: *Provided further*, That funds available for school improvement grants for fiscal year 2014 and thereafter may be used by a local educational agency to implement a whole-school reform strategy for a school using an evidence-based strategy that ensures whole-school reform is undertaken in partnership with a strategy developer offering a whole-school reform program that is based on at least a moderate level of evidence that the program will have a statistically significant effect on student outcomes, including at least one well-designed and well-implemented experimental or quasi-experimental study: *Provided further*, That funds available for school improvement grants may be used by a local educational agency to implement an alternative State-determined school improvement strategy that has been established by a State educational agency with the approval of the Secretary: *Provided further*, That a local educational agency that is determined to be eligible for services under subpart 1 or 2 of part B of title VI of the ESEA may modify not more than one element of a school improvement grant model: *Provided further*, That notwithstanding section 1003(g)(5)(A), each State educational agency may establish a maximum subgrant size of not more than \$2,000,000 for each participating school applicable to such funds: *Provided further*, That the Secretary may reserve up to 5 percent of the funds available for section 1003(g) of the ESEA to carry out activities to build State and local educational agency capacity to implement effectively the school improvement grants program: *Provided further*, That \$160,000,000 shall be available under section 1502 of the ESEA for a comprehensive literacy development and education program to advance literacy skills, including pre-literacy skills, reading, and writing, for students from birth through grade 12, including limited-English-proficient students and students with disabilities, of which one-half of 1 percent shall be reserved for the Secretary of the Interior for such a program at schools funded by the Bureau of Indian Education, one-half of 1 percent shall be reserved for grants to the outlying areas for such a program, up to 5 percent may be reserved for national activities, and the remainder shall be used to award competitive grants to State educational agencies for such a program, of which a State educational agency may reserve up to 5 percent for State leadership activities, including technical assistance and training, data collection, reporting, and administration, and shall subgrant not less than 95 percent to local educational agencies or, in the case of early literacy, to local educa-

tional agencies or other nonprofit providers of early childhood education that partner with a public or private nonprofit organization or agency with a demonstrated record of effectiveness in improving the early literacy development of children from birth through kindergarten entry and in providing professional development in early literacy, giving priority to such agencies or other entities serving greater numbers or percentages of disadvantaged children: *Provided further*, That the State educational agency shall ensure that at least 15 percent of the subgranted funds are used to serve children from birth through age 5, 40 percent are used to serve students in kindergarten through grade 5, and 40 percent are used to serve students in middle and high school including an equitable distribution of funds between middle and high schools: *Provided further*, That eligible entities receiving subgrants from State educational agencies shall use such funds for services and activities that have the characteristics of effective literacy instruction through professional development, screening and assessment, targeted interventions for students reading below grade level and other research-based methods of improving classroom instruction and practice: *Provided further*, That \$37,474,000 shall be for carrying out section 418A of the HEA] \$44,623,000. (Department of Education Appropriations Act, 2015.)

Program and Financing (in millions of dollars)

Identification code 091–0900–0–1–501	2014 actual	2015 est.	2016 est.
Obligations by program activity:			
0001 Grants to local educational agencies	14,383	14,410	10,841
0002 School improvement grants	507	506	.....
0003 Striving readers	158	160	.....
0004 State agency programs	422	422	.....
0005 Evaluation	1	1	.....
0006 Special programs for migrant students	35	37	45
0007 High school graduation initiative	46	.....	.....
0900 Total new obligations	15,552	15,536	10,886
Budgetary resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	524	525	525
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	4,712	4,695	45
1160 Appropriation, discretionary (total)	4,712	4,695	45
Advance appropriations, discretionary:			
1170 Advance appropriation	10,841	10,841	10,841
1180 Advanced appropriation, discretionary (total)	10,841	10,841	10,841
1900 Budget authority (total)	15,553	15,536	10,886
1930 Total budgetary resources available	16,077	16,061	11,411
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	525	525	525
Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	9,463	9,178	8,199
3010 Obligations incurred, unexpired accounts	15,552	15,536	10,886
3020 Outlays (gross)	-15,775	-16,515	-15,530
3041 Recoveries of prior year unpaid obligations, expired	-62	.....	.....
3050 Unpaid obligations, end of year	9,178	8,199	3,555
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	9,463	9,178	8,199
3200 Obligated balance, end of year	9,178	8,199	3,555
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	15,553	15,536	10,886
Outlays, gross:			
4010 Outlays from new discretionary authority	7,913	8,550	8,457
4011 Outlays from discretionary balances	7,862	7,965	7,073
4020 Outlays, gross (total)	15,775	16,515	15,530
4180 Budget authority, net (total)	15,553	15,536	10,886
4190 Outlays, net (total)	15,775	16,515	15,530

SUMMARY OF PROGRAM LEVEL

	(in millions of dollars)		
	2014–2015 Academic Year	2015–2016 Academic Year	2016–2017 Academic Year
New Budget Authority	\$4,712	\$4,695	\$5,752

EDUCATION FOR THE DISADVANTAGED—Continued
SUMMARY OF PROGRAM LEVEL—Continued

	2014–2015 Academic Year	2015–2016 Academic Year	2016–2017 Academic Year
Advance appropriation	10,841	10,841	10,841
Total program level	15,553	15,536	16,593

This account includes resources that are proposed for later transmittal under the expected reauthorization of the Elementary and Secondary Education Act of 1965 (ESEA). 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.

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.

Object Classification (in millions of dollars)

Identification code 091–0900–0–1–501	2014 actual	2015 est.	2016 est.
Direct obligations:			
25.1 Advisory and assistance services	5	1	.....
25.2 Other services from non-Federal sources	18	18	.....
25.3 Other goods and services from Federal sources .....	.....	4	.....
41.0 Grants, subsidies, and contributions	15,529	15,513	10,886
99.9 Total new obligations	15,552	15,536	10,886

EDUCATION FOR THE DISADVANTAGED
(Legislative proposal, not subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 091–0900–2–1–501	2014 actual	2015 est.	2016 est.
Obligations by program activity:			
0001 Grants to local educational agencies	4,569
0002 School improvement grants	556
0003 Striving readers	160
0004 State agency programs	422
0900 Total new obligations	5,707
Budgetary resources:			
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	5,707
1160 Appropriation, discretionary (total)	5,707
1900 Budget authority (total)	5,707
1930 Total budgetary resources available	5,707
Change in obligated balance:			
Unpaid obligations:			
3010 Obligations incurred, unexpired accounts	5,707
3020 Outlays (gross)	–114
3050 Unpaid obligations, end of year	5,593
Memorandum (non-add) entries:			
3200 Obligated balance, end of year	5,593
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	5,707
Outlays, gross:			
4010 Outlays from new discretionary authority	114
4180 Budget authority, net (total)	5,707
4190 Outlays, net (total)	114

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

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 assess annually 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 (LEA) and school progress in ensuring that all students are meeting, or are on track to meet, college- and career-ready standards; to inform families about whether their children are meeting or are on track to meet such standards; and to develop appropriate improvement and support strategies for schools and LEAs. States would establish 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 schools that are not serving their students well. The request also includes a pilot opportunity for districts that distribute funds to schools more equitably to receive relief from Federal reporting and fiscal requirements.

School improvement grants.—Funds would primarily support formula grants to States to help LEAs turn around their lowest-achieving schools by implementing rigorous school intervention models. In general, such schools would rank in the bottom five 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. Funds would also support competitive grants to States that have used or are using formula funds for interventions with evidence of effectiveness; States would use these funds for new awards to LEAs to implement such interventions or school closures.

Striving readers.—Funds would support competitive grants to LEAs to provide targeted, evidence-based literacy interventions in high-need schools. Grantees would implement high-quality literacy programs, aligned with college- and career-ready English language arts standards, in at least two grades based on a required needs assessment.

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 would 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 adult correctional facilities.

Object Classification (in millions of dollars)

Identification code 091–0900–2–1–501	2014 actual	2015 est.	2016 est.
Direct obligations:			
25.1 Advisory and assistance services	1
25.2 Other services from non-Federal sources	1
25.3 Other goods and services from Federal sources	4
41.0 Grants, subsidies, and contributions	5,701
99.9 Total new obligations	5,707

SCHOOL READINESS

For carrying out, in accordance with the applicable requirements of part D of title V of the Elementary and Secondary Education Act of 1965, \$750,000,000 for obligation through December 31, 2016, for a preschool development grants program: Provided, That the Secretary, jointly with the Secretary of Health and Human Services, shall use all funds made available under this heading to make competitive awards to States, the Bureau of Indian Education, Tribal Educational Agencies, Territories, or Outlying Areas for activities that build the capacity to develop, enhance, or expand high-quality preschool programs, including comprehensive services and family engagement, for preschool-aged children from families at or below 200 percent of the Federal poverty line: Provided further, That the Secretary may permit or require States, the Bureau of Indian Education, Tribal Educational Agencies, Territories, or Outlying Areas to subgrant a portion of grant funds to local educational agencies or other early learning providers (including, but not limited to, Head

Start programs and licensed child care providers), or consortia thereof, for the implementation of high-quality preschool programs for children from families at or below 200 percent of the Federal poverty line: Provided further, That subgrantees that are local educational agencies shall form strong partnerships with early learning providers and that subgrantees that are early learning providers shall form strong partnerships with local educational agencies, in order to carry out the requirements of the subgrant: Provided further, That, notwithstanding the second proviso, up to 5 percent of such funds for preschool development grants shall be available for technical assistance, evaluation, early education research, pilots to improve the integration of early learning programs, support the transition from preschool to elementary school, and improve outcomes in the early grades, and other national activities related to such grants.

Program and Financing (in millions of dollars)

Identification code 091–0015–0–1–501	2014 actual	2015 est.	2016 est.
Obligations by program activity:			
0001 Preschool development grants			750
0900 Total new obligations (object class 41.0)			750
Budgetary resources:			
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation			750
1160 Appropriation, discretionary (total)			750
1930 Total budgetary resources available			750
Change in obligated balance:			
Unpaid obligations:			
3010 Obligations incurred, unexpired accounts		750	
3020 Outlays (gross)			–38
3050 Unpaid obligations, end of year			712
Memorandum (non-add) entries:			
3200 Obligated balance, end of year			712
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross			750
Outlays, gross:			
4010 Outlays from new discretionary authority			38
4180 Budget authority, net (total)			750
4190 Outlays, net (total)			38

Preschool development grants.—Funds would support grants to develop, enhance, or expand high-quality preschool programs. The Department would provide competitive grants to States the Bureau of Indian Education, Tribal Educational Agencies, Territories, or Outlying Areas to build or enhance a preschool program infrastructure and scale-up high-quality preschool programs in targeted high-need communities that serve as models for expanding preschool to all four-year-olds from low- and moderate-income families. Funds would also support national activities, such as technical assistance, evaluation, early education research, and a pilot program designed to test innovative approaches to strengthening the effectiveness of early learning interventions and improving the transitions of children from preschool into kindergarten through third grade.

SCHOOL READINESS

(Legislative proposal, subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 091–0015–4–1–501	2014 actual	2015 est.	2016 est.
Obligations by program activity:			
0001 Preschool for all			1,300
0900 Total new obligations (object class 41.0)			1,300
Budgetary resources:			
Budget authority:			
Appropriations, mandatory:			
1200 Appropriation			1,300
1260 Appropriations, mandatory (total)			1,300

1930 Total budgetary resources available			1,300
Change in obligated balance:			
Unpaid obligations:			
3010 Obligations incurred, unexpired accounts			1,300
3020 Outlays (gross)			–130
3050 Unpaid obligations, end of year			1,170
Memorandum (non-add) entries:			
3200 Obligated balance, end of year			1,170
Budget authority and outlays, net:			
Mandatory:			
4090 Budget authority, gross			1,300
Outlays, gross:			
4100 Outlays from new mandatory authority			130
4180 Budget authority, net (total)			1,300
4190 Outlays, net (total)			130

Preschool for all.—Funds would support grants to States for the implementation of high-quality preschool programs that are aligned with elementary and secondary education systems. The Department would share costs with States to provide universal access to high-quality preschool for children from low and moderate income families and provide incentives for States to serve additional children from middle-class families.

IMPACT AID

For carrying out programs of financial assistance to federally affected schools authorized by title VIII of the ESEA, \$1,288,603,000, of which \$1,151,233,000 shall be for basic support payments under section 8003(b), \$48,316,000 shall be for payments for children with disabilities under section 8003(d), \$17,406,000 shall be for construction under section 8007(b) and be available for obligation through September 30, 2016, \$66,813,000 shall be for Federal property payments under section 8002, and \$4,835,000, to remain available until expended, shall be for facilities maintenance under section 8008: Provided, That for purposes of computing the amount of a payment for an eligible local educational agency under section 8003(a) for school year 2014–2015, children enrolled in a school of such agency that would otherwise be eligible for payment under section 8003(a)(1)(B) of such Act, but due to the deployment of both parents or legal guardians, or a parent or legal guardian having sole custody of such children, or due to the death of a military parent or legal guardian while on active duty (so long as such children reside on Federal property as described in section 8003(a)(1)(B)), are no longer eligible under such section, shall be considered as eligible students under such section, provided such students remain in average daily attendance at a school in the same local educational agency they attended prior to their change in eligibility status. (Department of Education Appropriations Act, 2015.)

Program and Financing (in millions of dollars)

Identification code 091–0102–0–1–501	2014 actual	2015 est.	2016 est.
Obligations by program activity:			
0001 Basic support payments	1,152	1,152	
0002 Payments for children with disabilities	48	48	
0091 Direct program activities, subtotal	1,200	1,200	
0101 Facilities maintenance		14	
0201 Construction	18	17	
0301 Payments for Federal property	67	67	
0900 Total new obligations (object class 41.0)	1,285	1,298	
Budgetary resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	5	9	
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	1,289	1,289	
1160 Appropriation, discretionary (total)	1,289	1,289	
1930 Total budgetary resources available	1,294	1,298	
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	9		
Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	346	488	310
3010 Obligations incurred, unexpired accounts	1,285	1,298	

IMPACT AID—Continued
Program and Financing—Continued

Identification code 091-0102-0-1-501	2014 actual	2015 est.	2016 est.
3011 Obligations incurred, expired accounts	309	.....	.....
3020 Outlays (gross)	-1,144	-1,476	-189
3041 Recoveries of prior year unpaid obligations, expired	-308	.....	.....
3050 Unpaid obligations, end of year	488	310	121
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	346	488	310
3200 Obligated balance, end of year	488	310	121
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	1,289	1,289	.....
Outlays, gross:			
4010 Outlays from new discretionary authority	1,096	1,142	.....
4011 Outlays from discretionary balances	48	334	189
4020 Outlays, gross (total)	1,144	1,476	189
4180 Budget authority, net (total)	1,289	1,289	.....
4190 Outlays, net (total)	1,144	1,476	189

The resources for programs in this account are proposed for later transmittal under the expected reauthorization of the Elementary and Secondary Education Act of 1965. 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.

IMPACT AID
(Legislative proposal, not subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 091-0102-2-1-501	2014 actual	2015 est.	2016 est.
Obligations by program activity:			
0001 Basic support payments	1,152
0002 Payments for children with disabilities	48
0091 Direct program activities, subtotal	1,200
0101 Facilities maintenance	72
0201 Construction	17
0900 Total new obligations (object class 41.0)	1,289
Budgetary resources:			
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	1,289
1160 Appropriation, discretionary (total)	1,289
1930 Total budgetary resources available	1,289
Change in obligated balance:			
Unpaid obligations:			
3010 Obligations incurred, unexpired accounts	1,289
3020 Outlays (gross)	-1,089
3050 Unpaid obligations, end of year	200
Memorandum (non-add) entries:			
3200 Obligated balance, end of year	200
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	1,289
Outlays, gross:			
4010 Outlays from new discretionary authority	1,089
4180 Budget authority, net (total)	1,289
4190 Outlays, net (total)	1,089

The resources in this schedule are proposed for later transmittal under the expected reauthorization of 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 (LEAs) 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 more than 900,000 federally connected students enrolled in about 1,150 LEAs to assist them in meeting their operation and maintenance costs. Average per-student payments will be approximately \$1,300.

Payments for children with disabilities.—Payments in addition to those provided under the Individuals with Disabilities Education Act (IDEA) will be provided on behalf of approximately 54,000 federally connected students with disabilities in about 900 LEAs. 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 LEAs.

Construction.—Approximately 6–10 construction grants will be awarded competitively to the highest-need Impact Aid LEAs for emergency repairs and modernization of school facilities.

SCHOOL IMPROVEMENT PROGRAMS

For carrying out school improvement activities authorized by [parts A and B of title II, part B of title IV, parts A and B of title VI, and parts B and C of title VII of the ESEA;] the McKinney-Vento Homeless Assistance Act; 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, [\$4,402,671,000, of which \$2,585,661,000 shall become available on July 1, 2015, and remain available through September 30, 2016, and of which \$1,681,441,000 shall become available on October 1, 2015, and shall remain available through September 30, 2016, for academic year 2015–2016] \$150,261,000: *Provided*, That [funds made available to carry out part B of title VII of the ESEA may be used for construction, renovation, and modernization of any elementary school, secondary school, or structure related to an elementary school or secondary school, run by the Department of Education of the State of Hawaii, that serves a predominantly Native Hawaiian student body: *Provided further*, That funds made available to carry out part C of title VII of the ESEA shall be awarded on a competitive basis, and also may be used for construction: *Provided further*, That \$48,445,000] \$55,445,000 shall be available to carry out section 203 of the Educational Technical Assistance Act of 2002 and the Secretary shall make such arrangements as determined to be necessary to ensure that the Bureau of Indian Education has access to services provided under this section: *Provided further*, That \$16,699,000 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 the Secretary may reserve up to 5 percent of the amount referred to in the previous proviso to provide technical assistance in the implementation of these grants [; *Provided further*, That up to 2.3 percent of the funds for subpart 1 of part A of title II of the ESEA shall be reserved by the Secretary for competitive awards for teacher or principal recruitment and training or professional enhancement activities, including for civic education instruction, to national not-for-profit organizations, of which up to 8 percent may only be used for research, dissemination, evaluation, and technical assistance for competitive awards carried out under this proviso: *Provided further*, That \$152,717,000 shall be to carry out part B of title II of the ESEA]. (*Department of Education Appropriations Act, 2015.*)

Program and Financing (in millions of dollars)

Identification code 091-1000-0-1-501	2014 actual	2015 est.	2016 est.
Obligations by program activity:			
0001 Improving teacher quality State grants	2,341	2,350	1,681
0002 Mathematics and science partnerships	150	153	.....
0003 21st century community learning centers	1,146	1,152	.....
0004 State assessments	372	378	.....
0005 Education for homeless children and youths	65	65	72
0006 Education for Native Hawaiians	32	32	.....
0007 Alaska Native education equity	31	31	.....
0008 Training and advisory services	7	7	7
0009 Rural education	170	170	.....
0010 Supplemental education grants	17	17	17
0011 Comprehensive centers	48	48	55

0900	Total new obligations	4,379	4,403	1,832
Budgetary resources:				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1	77	92	91
Budget authority:				
Appropriations, discretionary:				
1100	Appropriation	2,716	2,721	151
1160	Appropriation, discretionary (total)	2,716	2,721	151
Advance appropriations, discretionary:				
1170	Advance appropriation	1,681	1,681	1,681
1180	Advanced appropriation, discretionary (total)	1,681	1,681	1,681
1900	Budget authority (total)	4,397	4,402	1,832
1930	Total budgetary resources available	4,474	4,494	1,923
Memorandum (non-add) entries:				
1940	Unobligated balance expiring	-3		
1941	Unexpired unobligated balance, end of year	92	91	91

Change in obligated balance:				
Unpaid obligations:				
3000	Unpaid obligations, brought forward, Oct 1	4,637	4,576	4,749
3010	Obligations incurred, unexpired accounts	4,379	4,403	1,832
3020	Outlays (gross)	-4,402	-4,230	-4,330
3041	Recoveries of prior year unpaid obligations, expired	-38		
3050	Unpaid obligations, end of year	4,576	4,749	2,251
Memorandum (non-add) entries:				
3100	Obligated balance, start of year	4,637	4,576	4,749
3200	Obligated balance, end of year	4,576	4,749	2,251

Budget authority and outlays, net:				
Discretionary:				
4000	Budget authority, gross	4,397	4,402	1,832
Outlays, gross:				
4010	Outlays from new discretionary authority	1,016	1,063	1,012
4011	Outlays from discretionary balances	3,386	3,167	3,318
4020	Outlays, gross (total)	4,402	4,230	4,330
4180	Budget authority, net (total)	4,397	4,402	1,832
4190	Outlays, net (total)	4,402	4,230	4,330

SUMMARY OF PROGRAM LEVEL

(in millions of dollars)

	2014-2015 Academic Year	2015-2016 Academic Year	2016-2017 Academic Year
New Budget Authority	\$2,716	\$2,721	\$3,012
Advance Appropriation	1,681	1,681	1,681
Total program level	4,397	4,403	4,693
Change in advance appropriation over previous year	0	0	0

This account includes resources that are proposed for later transmittal under the expected reauthorization of the Elementary and Secondary Education Act of 1965 (ESEA). 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.

Education for homeless children and youths.—Funds support formula grants to States to provide educational and support services that enable homeless children and youth to attend and achieve success in school.

Training and advisory services.—Funds support grants to regional equity assistance centers that provide technical assistance to local educational agencies (LEAs) 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 22 comprehensive centers that focus on building State capacity to help school districts and schools meet the requirements of the ESEA.

Object Classification (in millions of dollars)

Identification code 091-1000-0-1-501	2014 actual	2015 est.	2016 est.	
Direct obligations:				
25.2	Other services from non-Federal sources	18	31	2
25.3	Other goods and services from Federal sources	2		
25.5	Research and development contracts	2	2	2
41.0	Grants, subsidies, and contributions	4,357	4,370	1,828
99.9	Total new obligations	4,379	4,403	1,832

SCHOOL IMPROVEMENT PROGRAMS

(Legislative proposal, not subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 091-1000-2-1-501	2014 actual	2015 est.	2016 est.	
Obligations by program activity:				
0001	Improving teacher quality State grants			668
0002	Mathematics and science partnerships			203
0003	Education technology State grants			200
0004	21st century community learning centers			1,152
0005	State assessments			403
0006	Education for Native Hawaiians			33
0007	Alaska Native education equity			32
0008	Rural education			170
0900	Total new obligations			2,861

Budgetary resources:				
Budget authority:				
Appropriations, discretionary:				
1100	Appropriation			2,861
1160	Appropriation, discretionary (total)			2,861
1900	Budget authority (total)			2,861
1930	Total budgetary resources available			2,861

Change in obligated balance:				
Unpaid obligations:				
3010	Obligations incurred, unexpired accounts			2,861
3020	Outlays (gross)			-57
3050	Unpaid obligations, end of year			2,804
Memorandum (non-add) entries:				
3200	Obligated balance, end of year			2,804

Budget authority and outlays, net:				
Discretionary:				
4000	Budget authority, gross			2,861
Outlays, gross:				
4010	Outlays from new discretionary authority			57
4180	Budget authority, net (total)			2,861
4190	Outlays, net (total)			57

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

Improving teacher quality State grants.—Funds would support formula grants to States and LEAs to improve teacher and principal effectiveness and ensure the equitable distribution of effective and highly effective teachers and principals. The Department would reserve up to 5 percent of the appropriation for this program to support teacher and school leader enhancement projects with evidence of effectiveness and conduct related national leadership activities.

Mathematics and science partnerships.—Funds would primarily support formula grants to States to assist LEAs, in partnership with institutions of higher education (IHEs), businesses, and other entities, in implementing activities to improve teacher effectiveness and student engagement and achievement in science, technology, engineering, and mathematics (STEM). Funds would also be used for competitive grants directly to eligible partnerships for such activities and for national activities, including a STEM virtual learning network.

Education technology State grants.—Funds would support State subgrants to model districts to support teachers and leaders in using technology to improve instruction and personalize learning. Funds would also be used

SCHOOL IMPROVEMENT PROGRAMS—Continued

to build State capacity to help districts use technology to improve instruction as well as identify and scale effective local practices to other districts in the State.

21st century community learning centers.—Funds would support formula grants to States for projects that provide the additional time, support, and enrichment activities needed to improve student achievement.

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

Education for Native Hawaiians.—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 education equity.—Funds would support competitive grants to LEAs and other public and private organizations to develop or operate innovative projects that enhance the educational services provided to Alaska Native children and adults.

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

Object Classification (in millions of dollars)

Identification code 091–1000–2–1–501	2014 actual	2015 est.	2016 est.
Direct obligations:			
25.2 Other services from non-Federal sources			43
41.0 Grants, subsidies, and contributions			2,818
99.9 Total new obligations			2,861

SAFE SCHOOLS AND CITIZENSHIP EDUCATION

For carrying out activities authorized by part A of title IV and subparts 1, 2, and 10 of part D of title V of the ESEA, \$223,315,000: *Provided*, That \$70,000,000 shall be available for subpart 2 of part A of title IV, of which up to \$5,000,000, to remain available until expended, shall be for the Project School Emergency Response to Violence ("Project SERV") program to provide education-related services to local educational agencies and institutions of higher education in which the learning environment has been disrupted due to a violent or traumatic crisis: *Provided further*, That \$56,754,000 shall be available through December 31, 2015 for Promise Neighborhoods. (Department of Education Appropriations Act, 2015.)

Program and Financing (in millions of dollars)

Identification code 091–0203–0–1–501	2014 actual	2015 est.	2016 est.
Obligations by program activity:			
0001 Safe and drug-free schools and communities national activities	90	75	
0002 Elementary and secondary school counseling	50	50	
0003 Physical education program	75	47	
0004 Promise neighborhoods	58	57	52
0500 Direct program activities, subtotal	273	229	52
0900 Total new obligations	273	229	52
Budgetary resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	59	57	52
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	271	224	
1160 Appropriation, discretionary (total)	271	224	
1930 Total budgetary resources available	330	281	52

Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	57	52	
Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	395	381	311
3010 Obligations incurred, unexpired accounts	273	229	52
3020 Outlays (gross)	–270	–299	–245
3041 Recoveries of prior year unpaid obligations, expired	–17		
3050 Unpaid obligations, end of year	381	311	118
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	395	381	311
3200 Obligated balance, end of year	381	311	118
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	271	224	
Outlays, gross:			
4010 Outlays from new discretionary authority	5	4	
4011 Outlays from discretionary balances	265	295	245
4020 Outlays, gross (total)	270	299	245
4180 Budget authority, net (total)	271	224	
4190 Outlays, net (total)	270	299	245

The resources for programs in this account are proposed for later transmittal under the expected reauthorization of the Elementary and Secondary Education Act of 1965. 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 091–0203–0–1–501	2014 actual	2015 est.	2016 est.
Direct obligations:			
25.2 Other services from non-Federal sources	9	6	
25.3 Other goods and services from Federal sources	2	2	
41.0 Grants, subsidies, and contributions	262	221	52
99.9 Total new obligations	273	229	52

SAFE SCHOOLS AND CITIZENSHIP EDUCATION
(Legislative proposal, not subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 091–0203–2–1–501	2014 actual	2015 est.	2016 est.
Obligations by program activity:			
0001 Safe and drug-free schools and communities national activities			90
0002 Elementary and secondary school counseling			50
0003 Physical education program			60
0004 Promise neighborhoods			150
0500 Direct program activities, subtotal			350
0900 Total new obligations			350
Budgetary resources:			
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation			350
1160 Appropriation, discretionary (total)			350
1930 Total budgetary resources available			350
Change in obligated balance:			
Unpaid obligations:			
3010 Obligations incurred, unexpired accounts			350
3020 Outlays (gross)			–7
3050 Unpaid obligations, end of year			343
Memorandum (non-add) entries:			
3200 Obligated balance, end of year			343
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross			350
Outlays, gross:			
4010 Outlays from new discretionary authority			7
4180 Budget authority, net (total)			350

4190	Outlays, net (total)	7
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The resources in this schedule are proposed for later transmittal under the expected reauthorization of the Elementary and Secondary Education Act of 1965.

Safe and drug-free schools and communities national activities.—Funds support competitive grants and other discretionary activities to foster a safe, secure, and drug-free learning environment, facilitate emergency management and preparedness, and prevent drug use and violence by students. These activities include school safety initiatives in *Now Is The Time*, the President's plan to protect our children and our communities by reducing gun violence, including efforts to create positive school climates and to counter the effects of pervasive violence on students.

Elementary and secondary school counseling.—Funds support competitive grants to assist local educational agencies in developing or expanding elementary and secondary school counseling programs.

Physical education.—Funds support competitive grants to local educational agencies and community-based organizations to help cover the costs of initiating, expanding, and improving physical education programs for students in kindergarten through 12th grade.

Promise neighborhoods.—Funds 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. Promise Neighborhoods is also a central component of the Administration's Promise Zones—high-poverty communities where the Federal Government will engage more directly with local leaders to break down barriers and help them access the resources and expertise they need to create jobs, leverage private investment, increase economic activity, reduce violence, and expand educational opportunities.

Object Classification (in millions of dollars)

Identification code 091-0203-2-1-501	2014 actual	2015 est.	2016 est.
Direct obligations:			
25.2 Other services from non-Federal sources			8
25.3 Other goods and services from Federal sources			2
41.0 Grants, subsidies, and contributions			340
99.9 Total new obligations			350

INDIAN EDUCATION

■ For expenses necessary to carry out, to the extent not otherwise provided, title VII, part A of the ESEA, \$123,939,000. (Department of Education Appropriations Act, 2015.)

Program and Financing (in millions of dollars)

Identification code 091-0101-0-1-501	2014 actual	2015 est.	2016 est.
Obligations by program activity:			
0001 Grants to local educational agencies	100	100	
0002 Special programs for Indian children	18	18	
0003 National activities	6	6	
0900 Total new obligations	124	124	
Budgetary resources:			
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	124	124	
1160 Appropriation, discretionary (total)	124	124	
1930 Total budgetary resources available	124	124	
Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	134	131	144
3010 Obligations incurred, unexpired accounts	124	124	

3020	Outlays (gross)	-124	-111	-116
3041	Recoveries of prior year unpaid obligations, expired	-3		
3050	Unpaid obligations, end of year	131	144	28
Memorandum (non-add) entries:				
3100	Obligated balance, start of year	134	131	144
3200	Obligated balance, end of year	131	144	28
Budget authority and outlays, net:				
Discretionary:				
4000	Budget authority, gross	124	124	
Outlays, gross:				
4010	Outlays from new discretionary authority	6	6	
4011	Outlays from discretionary balances	118	105	116
4020	Outlays, gross (total)	124	111	116
4180	Budget authority, net (total)	124	124	
4190	Outlays, net (total)	124	111	116

The resources for programs in this account are proposed for later transmittal under the expected reauthorization of the Elementary and Secondary Education Act of 1965. 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 091-0101-0-1-501	2014 actual	2015 est.	2016 est.
Direct obligations:			
25.2 Other services from non-Federal sources	2	2	
41.0 Grants, subsidies, and contributions	122	122	
99.9 Total new obligations	124	124	

INDIAN EDUCATION

(Legislative proposal, not subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 091-0101-2-1-501	2014 actual	2015 est.	2016 est.
Obligations by program activity:			
0001 Grants to local educational agencies			100
0002 Special programs for Indian children			68
0003 National activities			6
0900 Total new obligations			174
Budgetary resources:			
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation			174
1160 Appropriation, discretionary (total)			174
1930 Total budgetary resources available			174
Change in obligated balance:			
Unpaid obligations:			
3010 Obligations incurred, unexpired accounts			174
3020 Outlays (gross)			-9
3050 Unpaid obligations, end of year			165
Memorandum (non-add) entries:			
3200 Obligated balance, end of year			165
Budget authority and outlays, net:			
Discretionary:			
4000	Budget authority, gross		174
Outlays, gross:			
4010	Outlays from new discretionary authority		9
4180	Budget authority, net (total)		174
4190	Outlays, net (total)		9

The resources in this schedule are proposed for later transmittal under the expected reauthorization of the Elementary and Secondary Education Act of 1965. The Indian Education programs support the efforts of local educational agencies (LEA) 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 LEAs in their efforts to reform elementary and secondary school programs that serve

INDIAN EDUCATION—Continued

Indian students, with the goal of ensuring that such programs assist participating students in meeting the same academic standards as all other students.

Special programs for Indian children.—Funds support competitive awards for Native Youth Community Projects and projects in early childhood education and college preparation under the Demonstration Grants authority, 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 091-0101-2-1-501	2014 actual	2015 est.	2016 est.
Direct obligations:			
25.2 Other services from non-Federal sources			2
41.0 Grants, subsidies, and contributions			172
99.9 Total new obligations			174

EDUCATION JOBS FUND

Program and Financing (in millions of dollars)

Identification code 091-0012-0-1-501	2014 actual	2015 est.	2016 est.
Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	10	10	
3020 Outlays (gross)		-10	
3050 Unpaid obligations, end of year	10		
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	10	10	
3200 Obligated balance, end of year	10		
Budget authority and outlays, net:			
Mandatory:			
Outlays, gross:			
4101 Outlays from mandatory balances		10	
4190 Outlays, net (total)		10	

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

STATE FISCAL STABILIZATION FUND, RECOVERY ACT

Program and Financing (in millions of dollars)

Identification code 091-1909-0-1-999	2014 actual	2015 est.	2016 est.
Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	2,572	1,185	
3011 Obligations incurred, expired accounts	3		
3020 Outlays (gross)	-1,387	-1,185	
3041 Recoveries of prior year unpaid obligations, expired	-3		
3050 Unpaid obligations, end of year	1,185		
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	2,572	1,185	
3200 Obligated balance, end of year	1,185		
Budget authority and outlays, net:			
Discretionary:			
Outlays, gross:			
4011 Outlays from discretionary balances	1,387	1,185	
4190 Outlays, net (total)	1,387	1,185	

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

OFFICE OF INNOVATION AND IMPROVEMENT

Federal Funds

INNOVATION AND IMPROVEMENT

【For carrying out activities authorized by part G of title I, subpart 5 of part A and parts C and D of title II, parts B, C, and D of title V of the ESEA, and section 14007 of division A of the American Recovery and Reinvestment Act of 2009, as amended, \$1,102,111,000: *Provided*, That up to \$120,000,000 shall be available through December 31, 2015 for section 14007 of division A of Public Law 111-5, and up to 5 percent of such funds may be used for technical assistance and the evaluation of activities carried out under such section: *Provided further*, That the education facilities clearinghouse established through a competitive award process in fiscal year 2013 is authorized to collect and disseminate information on effective educational practices and the latest research regarding the planning, design, financing, construction, improvement, operation, and maintenance of safe, healthy, high-performance public facilities for early learning programs, kindergarten through grade 12, and higher education: *Provided further*, That \$230,000,000 of the funds for subpart 1 of part D of title V of the ESEA shall be for competitive grants to local educational agencies, including charter schools that are local educational agencies, or States, or partnerships of: (1) a local educational agency, a State, or both; and (2) at least one nonprofit organization to develop and implement performance-based compensation systems for teachers, principals, and other personnel in high-need schools: *Provided further*, That such performance-based compensation systems must consider gains in student academic achievement as well as classroom evaluations conducted multiple times during each school year among other factors and provide educators with incentives to take on additional responsibilities and leadership roles: *Provided further*, That recipients of such grants shall demonstrate that such performance-based compensation systems are developed with the input of teachers and school leaders in the schools and local educational agencies to be served by the grant: *Provided further*, That recipients of such grants may use such funds to develop or improve systems and tools (which may be developed and used for the entire local educational agency or only for schools served under the grant) that would enhance the quality and success of the compensation system, such as high-quality teacher evaluations and tools to measure growth in student achievement: *Provided further*, That applications for such grants shall include a plan to sustain financially the activities conducted and systems developed under the grant once the grant period has expired: *Provided further*, That up to 5 percent of such funds for competitive grants shall be available for technical assistance, training, peer review of applications, program outreach, and evaluation activities: *Provided further*, That \$250,000,000 of the funds for part D of title V of the ESEA shall be available through December 31, 2015 for carrying out, in accordance with the applicable requirements of part D of title V of the ESEA, a preschool development grants program: *Provided further*, That the Secretary, jointly with the Secretary of HHS, shall make competitive awards to States for activities that build the capacity within the State to develop, enhance, or expand high-quality preschool programs, including comprehensive services and family engagement, for preschool-aged children from families at or below 200 percent of the Federal poverty line: *Provided further*, That each State may subgrant a portion of such grant funds to local educational agencies and other early learning providers (including, but not limited to, Head Start programs and licensed child care providers), or consortia thereof, for the implementation of high-quality preschool programs for children from families at or below 200 percent of the Federal poverty line: *Provided further*, That subgrantees that are local educational agencies shall form strong partnerships with early learning providers and that subgrantees that are early learning providers shall form strong partnerships with local educational agencies, in order to carry out the requirements of the subgrant: *Provided further*, That up to 3 percent of such funds for preschool development grants shall be available for technical assistance, evaluation, and other national activities related to such grants: *Provided further*, That \$10,000,000 of funds available under part D of title V of the ESEA shall be for the Full-Service Community Schools program: *Provided further*, That of the funds available for part B of title V of the ESEA, the Secretary shall use up to \$11,000,000 to carry out activities under section 5205(b) and shall use not less than \$13,000,000 for subpart 2: *Provided further*, That of the funds available for subpart 1 of part B of title V of the ESEA, and notwithstanding section 5205(a), the Secretary shall reserve up to \$75,000,000 to make multiple awards to non-profit charter management organizations and other entities that are not for-profit entities for the replication and expansion of successful charter school models and shall reserve not less than \$11,000,000 to carry out the activities described in section 5205(a), including improving quality and oversight of charter schools and providing technical assistance and grants to authorized public chartering agencies in order to increase the number of high-performing charter schools: *Provided further*, That funds available for part B of title V of the ESEA may be used for grants that support preschool education in charter schools: *Provided further*, That each application submitted

pursuant to section 5203(a) shall describe a plan to monitor and hold accountable authorized public chartering agencies through such activities as providing technical assistance or establishing a professional development program, which may include evaluation, planning, training, and systems development for staff of authorized public chartering agencies to improve the capacity of such agencies in the State to authorize, monitor, and hold accountable charter schools: *Provided further*, That each application submitted pursuant to section 5203(a) shall contain assurances that State law, regulations, or other policies require that: (1) each authorized charter school in the State operate under a legally binding charter or performance contract between itself and the school's authorized public chartering agency that describes the rights and responsibilities of the school and the public chartering agency; conduct annual, timely, and independent audits of the school's financial statements that are filed with the school's authorized public chartering agency; and demonstrate improved student academic achievement; and (2) authorized public chartering agencies use increases in student academic achievement for all groups of students described in section 1111(b)(2)(C)(v) of the ESEA as one of the most important factors when determining to renew or revoke a school's charter.】 (*Department of Education Appropriations Act, 2015.*)

Program and Financing (in millions of dollars)

Identification code 091-0204-0-1-501	2014 actual	2015 est.	2016 est.
Obligations by program activity:			
0001 Race to the top	428	248	.....
0002 Investing in innovation	141	139	120
0003 Teacher incentive fund	289	230	.....
0004 Transition to teaching	14	14	.....
0005 School leadership	26	16	.....
0006 Charter schools grants	236	253	.....
0007 Credit enhancement for charter school facilities	12	.....	.....
0008 Magnet schools assistance	92	92	.....
0009 Advanced placement	28	28	.....
0010 Ready-to-learn television	26	26	.....
0011 Fund for the Improvement of Education: Programs of national significance	42	56	243
0012 Arts in education	25	25	.....
0100 Total direct program	1,359	1,127	363
0799 Total direct obligations	1,359	1,127	363
0801 SOAR Act	63	49	45
0900 Total new obligations	1,422	1,176	408
Budgetary resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	620	434	418
1021 Recoveries of prior year unpaid obligations	8	.....	.....
1050 Unobligated balance (total)	628	434	418
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	1,181	1,102	.....
1160 Appropriation, discretionary (total)	1,181	1,102	.....
Spending authority from offsetting collections, discretionary:			
1700 Collected	48	58	58
1750 Spending auth from offsetting collections, disc (total)	48	58	58
1900 Budget authority (total)	1,229	1,160	58
1930 Total budgetary resources available	1,857	1,594	476
Memorandum (non-add) entries:			
1940 Unobligated balance expiring	-1	.....	.....
1941 Unexpired unobligated balance, end of year	434	418	68
Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	3,380	3,501	2,146
3010 Obligations incurred, unexpired accounts	1,422	1,176	408
3020 Outlays (gross)	-1,270	-2,531	-1,425
3040 Recoveries of prior year unpaid obligations, unexpired	-8	.....	.....
3041 Recoveries of prior year unpaid obligations, expired	-23	.....	.....
3050 Unpaid obligations, end of year	3,501	2,146	1,129
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	3,380	3,501	2,146
3200 Obligated balance, end of year	3,501	2,146	1,129
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	1,229	1,160	58
Outlays, gross:			
4010 Outlays from new discretionary authority	3	23	1

4011	Outlays from discretionary balances	1,267	2,508	1,424
4020	Outlays, gross (total)	1,270	2,531	1,425
Offsets against gross budget authority and outlays:				
Offsetting collections (collected) from:				
4033	Non-Federal sources	-48	-58	-58
4180	Budget authority, net (total)	1,181	1,102	.....
4190	Outlays, net (total)	1,222	2,473	1,367

The resources for programs in this account are proposed for later transmittal under the expected reauthorization of the Elementary and Secondary Education Act of 1965. 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 091-0204-0-1-501	2014 actual	2015 est.	2016 est.
Direct obligations:			
25.1	Advisory and assistance services	26	.....
25.2	Other services from non-Federal sources	14	31
25.3	Other goods and services from Federal sources	7	.....
25.5	Research and development contracts	4	3
41.0	Grants, subsidies, and contributions	1,308	1,093
99.0	Direct obligations	1,359	1,127
99.0	Reimbursable obligations	63	49
99.9	Total new obligations	1,422	1,176

INNOVATION AND IMPROVEMENT

(Legislative proposal, not subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 091-0204-2-1-501	2014 actual	2015 est.	2016 est.
Obligations by program activity:			
0001	Investing in innovation .....	.....	300
0002	Excellent educators grants .....	.....	350
0003	Teacher and principal pathways .....	.....	139
0004	Charter schools grants .....	.....	375
0005	Magnet schools assistance .....	.....	92
0006	Advanced placement .....	.....	28
0007	Ready-to-learn television .....	.....	26
0008	Fund for the Improvement of Education: Programs of national significance .....	.....	42
0009	Leveraging what works pilot .....	.....	100
0010	Arts in education .....	.....	25
0011	Next generation high schools .....	.....	125
0100	Total direct program .....	.....	1,602
0900	Total new obligations .....	.....	1,602
Budgetary resources:			
Budget authority:			
Appropriations, discretionary:			
1100	Appropriation .....	.....	1,602
1160	Appropriation, discretionary (total) .....	.....	1,602
1930	Total budgetary resources available .....	.....	1,602
Change in obligated balance:			
Unpaid obligations:			
3010	Obligations incurred, unexpired accounts .....	.....	1,602
3020	Outlays (gross) .....	.....	-32
3050	Unpaid obligations, end of year .....	.....	1,570
Memorandum (non-add) entries:			
3200	Obligated balance, end of year .....	.....	1,570
Budget authority and outlays, net:			
Discretionary:			
4000	Budget authority, gross .....	.....	1,602
Outlays, gross:			
4010	Outlays from new discretionary authority .....	.....	32
4180	Budget authority, net (total) .....	.....	1,602
4190	Outlays, net (total) .....	.....	32

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

INNOVATION AND IMPROVEMENT—Continued

Investing in innovation.—Funds would support grants to local educational agencies (LEAs) or to nonprofit organizations in partnership with one or more LEAs or a consortium of schools 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 to launch the Advanced Research Projects Agency-Education, which would pursue breakthrough developments in educational technologies and other strategies for raising achievement.

Excellent educators grants.—Funds would support evidence-based State and local initiatives to strengthen systems for recruiting, developing, and retaining effective teachers and school leaders in high-need LEAs and schools.

Teacher and principal pathways.—Funds would support competitive grants to create and expand high-quality pathways into teaching and school leadership.

Charter schools grants.—Funds would support competitive grants for the planning, design, initial implementation, and expansion of successful charter schools. Funds would also support information dissemination activities and competitive grants to improve charter schools' access to facilities.

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

Advanced placement.—Funds would support noncompetitive grants to States to help cover the cost of advanced placement exams taken by students from low-income families. Funds would also support competitive grants to States, LEAs, and qualified nonprofit organizations to expand access to accelerated learning programs.

Ready-to-learn television.—Funds would support competitive grants to public telecommunications entities to develop and distribute educational video programming and digital content, such as applications and online educational games, for preschool and elementary school children and their parents, caregivers, and teachers to facilitate student academic achievement.

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 demonstrations linking education and child welfare or other data systems to support early warning indicator systems, an interagency initiative to strengthen services provided to disconnected youth, partnerships between districts and researchers to support non-cognitive interventions, and continuation of efforts to improve the quality, analysis, and reporting of elementary and secondary education performance data.

Leveraging what works pilot.—Funds would support competitive grants to LEAs that agree to use a portion of their Federal formula grant funds, in combination with State and local resources, for comprehensive, evidence-based strategies that improve student outcomes while maintaining the funds' focus on serving low-income students.

Arts in education.—Funds would support model projects and programs to integrate arts education into the regular elementary school and secondary school curriculum, through competitive grants to support model development and dissemination and professional development for arts educators.

Next generation high schools.—Funds would support competitive grants to transform teaching and learning in high schools by encouraging partnerships among LEAs, institutions of higher education, businesses, and other entities to enhance instruction and provide career-related experiences to students, helping them prepare for college and careers. Grantees would leverage new and existing federal, State, and local resources to create learning models that are rigorous, relevant, and better focused on real-world experiences while incorporating personalized learning, work- and project-based learning, and career and college exploration.

Object Classification (in millions of dollars)

Identification code 091-0204-2-1-501	2014 actual	2015 est.	2016 est.
Direct obligations:			
25.1	Advisory and assistance services		4
25.2	Other services from non-Federal sources		37
25.3	Other goods and services from Federal sources		1
25.5	Research and development contracts		5
41.0	Grants, subsidies, and contributions		1,555
99.9	Total new obligations		1,602

INNOVATION AND IMPROVEMENT
(Legislative proposal, subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 091-0204-4-1-501	2014 actual	2015 est.	2016 est.
Obligations by program activity:			
0001	Teaching for tomorrow		1,000
0100	Total direct program		1,000
Budgetary resources:			
Budget authority:			
Appropriations, mandatory:			
1200	Appropriation		1,000
1260	Appropriations, mandatory (total)		1,000
1930	Total budgetary resources available		1,000
Change in obligated balance:			
Unpaid obligations:			
3010	Obligations incurred, unexpired accounts		1,000
3020	Outlays (gross)		-50
3050	Unpaid obligations, end of year		950
Memorandum (non-add) entries:			
3200	Obligated balance, end of year		950
Budget authority and outlays, net:			
Mandatory:			
4090	Budget authority, gross		1,000
Outlays, gross:			
4100	Outlays from new mandatory authority		50
4180	Budget authority, net (total)		1,000
4190	Outlays, net (total)		50

Teaching for tomorrow.—Funds would support competitive grants to States and local educational agencies to transform the ways they recruit and prepare new teachers and to pursue bold, comprehensive approaches in how they support teachers who remain in the profession.

Object Classification (in millions of dollars)

Identification code 091-0204-4-1-501	2014 actual	2015 est.	2016 est.
Direct obligations:			
25.2	Other services from non-Federal sources		10
41.0	Grants, subsidies, and contributions		990
99.9	Total new obligations		1,000

OFFICE OF ENGLISH LANGUAGE ACQUISITION
Federal Funds

ENGLISH LANGUAGE ACQUISITION

¶For carrying out part A of title III of the ESEA, \$737,400,000, which shall become available on July 1, 2015, and shall remain available through September 30, 2016, except that 6.5 percent of such amount shall be available on October 1, 2014, and shall remain available through September 30, 2016, to carry out activities under section 3111(c)(1)(C): *Provided*, That the Secretary shall use estimates of the American Community Survey child counts for the most recent 3-year period available to calculate allocations under such part: *Provided further*, That the Secretary shall use \$14,000,000 of funds available under this paragraph for grants to all State educational agencies within States with at least one county where 50 or more unaccom-

panied children have been released to sponsors since January 1, 2014, through the Department of Health and Human Services, Office of Refugee Resettlement: *Provided further*, That awards to eligible State educational agencies shall be based on the State's relative share of unaccompanied children that have been released to sponsors since January 1, 2014: *Provided further*, That the data on unaccompanied children used by the Secretary under the two preceding provisos shall be the most recently available data from the Department of Health and Human Services, Office of Refugee Resettlement, as of the date of enactment of this Act: *Provided further*, That each eligible State educational agency that receives a grant shall award subgrants to local educational agencies in the State that have experienced a significant increase during the 2014–2015 school year, as determined by the State educational agency, compared to the average of the 2 preceding school years, in the number or percentage of immigrant children and youth enrolled in their schools: *Provided further*, That local educational agencies shall use those subgrants for supplemental academic and non-academic services and supports to immigrant children and youth: *Provided further*, That the term "immigrant children and youth" has the meaning given in section 3301 of the ESEA, and the terms "State educational agency" and "local educational agency" have the meanings given to them in section 9101 of the ESEA: *Provided further*, That each eligible State educational agency shall prepare and submit to the Secretary not later than 1 year after the award a report identifying the local educational agencies that received subgrants, the State's definition of "significant increase" used to award the subgrants; and such other information as the Secretary may require.] (*Department of Education Appropriations Act, 2015.*)

Program and Financing (in millions of dollars)

Identification code 091–1300–0–1–501	2014 actual	2015 est.	2016 est.
Obligations by program activity:			
0001 English language acquisition grants	724	737	14
Budgetary resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	15	14	14
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	723	737	
1160 Appropriation, discretionary (total)	723	737	
1930 Total budgetary resources available	738	751	14
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	14	14	
Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	1,031	1,015	1,006
3010 Obligations incurred, unexpired accounts	724	737	14
3020 Outlays (gross)	-736	-746	-726
3041 Recoveries of prior year unpaid obligations, expired	-4		
3050 Unpaid obligations, end of year	1,015	1,006	294
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	1,031	1,015	1,006
3200 Obligated balance, end of year	1,015	1,006	294
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	723	737	
Outlays, gross:			
4010 Outlays from new discretionary authority	4	7	
4011 Outlays from discretionary balances	732	739	726
4020 Outlays, gross (total)	736	746	726
4180 Budget authority, net (total)	723	737	
4190 Outlays, net (total)	736	746	726

The resources for programs in this account are proposed for later transmittal under the expected reauthorization of the Elementary and Secondary Education Act of 1965. 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 091–1300–0–1–501	2014 actual	2015 est.	2016 est.
Direct obligations:			
25.2 Other services from non-Federal sources	4	4	1
25.3 Other goods and services from Federal sources	2	2	
41.0 Grants, subsidies, and contributions	719	731	13

99.0 Direct obligations	725	737	14
99.5 Below reporting threshold	-1		
99.9 Total new obligations	724	737	14

ENGLISH LANGUAGE ACQUISITION
(Legislative proposal, not subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 091–1300–2–1–501	2014 actual	2015 est.	2016 est.
Obligations by program activity:			
0001 English language acquisition grants			773
Budgetary resources:			
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation			773
1160 Appropriation, discretionary (total)			773
1930 Total budgetary resources available			773
Change in obligated balance:			
Unpaid obligations:			
3010 Obligations incurred, unexpired accounts			773
3020 Outlays (gross)			-8
3050 Unpaid obligations, end of year			765
Memorandum (non-add) entries:			
3200 Obligated balance, end of year			765
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross			773
Outlays, gross:			
4010 Outlays from new discretionary authority			8
4180 Budget authority, net (total)			773
4190 Outlays, net (total)			8

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

Language acquisition State grants.—This program supports 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. Funds also support national activities, including professional development, evaluation, a national information clearinghouse on English language acquisition, technical assistance to grantees, and demonstration projects to replicate proven practices.

Object Classification (in millions of dollars)

Identification code 091–1300–2–1–501	2014 actual	2015 est.	2016 est.
Direct obligations:			
25.2 Other services from non-Federal sources			5
25.3 Other goods and services from Federal sources			2
41.0 Grants, subsidies, and contributions			766
99.9 Total new obligations			773

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, **[\$12,522,358,000]** \$12,822,358,000, of which **[\$3,006,259,000]** \$3,296,259,000 shall become available on July 1, **[2015]** 2016, and shall remain available through September 30, **[2016]** 2017, and of which \$9,283,383,000 shall become available on October 1, **[2015]** 2016, and shall remain available through September 30, **[2016]** 2017, for academic year **[2015–2016]** 2016–2017: *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

SPECIAL EDUCATION—Continued

fiscal year [2014] 2015, 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 [2014] 2015: *Provided further*, That the Secretary shall, without regard to section 611(d) of the IDEA, distribute to all other States (as that term is defined in section 611(g)(2)), subject to the third proviso, any amount by which a State's allocation under section 611(d), from funds appropriated under this heading, is reduced under section 612(a)(18)(B), according to the following: 85 percent on the basis of the States' relative populations of children aged 3 through 21 who are of the same age as children with disabilities for whom the State ensures the availability of a free appropriate public education under this part, and 15 percent to States on the basis of the States' relative populations of those children who are living in poverty: *Provided further*, That the Secretary may not distribute any funds under the previous proviso to any State whose reduction in allocation from funds appropriated under this heading made funds available for such a distribution: *Provided further*, That the States shall allocate such funds distributed under the second proviso to local educational agencies in accordance with section 611(f): *Provided further*, That the amount by which a State's allocation under section 611(d) of the IDEA is reduced under section 612(a)(18)(B) and the amounts distributed to States under the previous provisos in fiscal year 2012 or any subsequent year shall not be considered in calculating the awards under section 611(d) for fiscal year 2013 or for any subsequent fiscal years: *Provided further*, That, notwithstanding the provision in section 612(a)(18)(B) regarding the fiscal year in which a State's allocation under section 611(d) is reduced for failure to comply with the requirement of section 612(a)(18)(A), the Secretary may apply the reduction specified in section 612(a)(18)(B) over a period of consecutive fiscal years, not to exceed five, until the entire reduction is applied: *Provided further*, That the Secretary may, in any fiscal year in which a State's allocation under section 611 is reduced in accordance with section 612(a)(18)(B), reduce the amount a State may reserve under section 611(e)(1) by an amount that bears the same relation to the maximum amount described in that paragraph as the reduction under section 612(a)(18)(B) bears to the total allocation the State would have received in that fiscal year under section 611(d) in the absence of the reduction: *Provided further*, That the Secretary shall either reduce the allocation of funds under section 611 for any fiscal year following the fiscal year for which the State fails to comply with the requirement of section 612(a)(18)(A) as authorized by section 612(a)(18)(B), or seek to recover funds under section 452 of the General Education Provisions Act (20 U.S.C. 1234a): *Provided further*, That the funds reserved under 611(c) of the IDEA may be used to provide technical assistance to States to improve the capacity of the States to meet the data collection requirements of sections 616 and 618 and to administer and carry out other services and activities to improve data collection, coordination, quality, and use under parts B and C of the IDEA: *Provided further*, That the level of effort a local educational agency must meet under section 613(a)(2)(A)(iii) of the IDEA, in the year after it fails to maintain effort is the level of effort that would have been required in the absence of that failure and not the LEA's reduced level of expenditures: *Provided further*, That the Secretary may use funds made available for the State Personnel Development Grants program under part D, subpart 1 of IDEA to evaluate program performance under such subpart: *Provided further*, That the Secretary may reserve up to \$10,000,000 of the funds made available for section 663 of the IDEA to support: (1) grants to States, outlying areas, freely associated states, and the Secretary of the Interior to carry out activities identified in their State Systemic Improvement Plans to improve results for children with disabilities birth through age 21 under Parts B and C of the IDEA; and (2) related activities for carrying out and assessing the performance of those grants: *Provided further*, That funds reserved under the preceding proviso shall remain available for obligation through September 30, 2017: *Provided further*, That each entity that receives a grant under the second preceding proviso may make subgrants, contracts, or otherwise distribute those funds on a competitive, targeted, or formula basis to public, private, and non-profit entities, including local educational agencies and early intervention service providers, to carry out activities authorized under that proviso: *Provided further*, That notwithstanding section 613(f)(1) of the IDEA, local educational agencies may also use funds that they reserve under section 613(f) to develop and implement coordinated, early intervening services for children ages 3 through 5, who have not been identified as needing special education and related services but who need additional developmental, academic, and behavioral support to succeed in a general education environment or participate in appropriate activities: *Provided further*, That, with respect to children receiving services under the preceding proviso, and who have not yet entered kindergarten, the Secretary may waive the requirements of section 613(f)(4) of the IDEA: *Provided further*, That, notwithstanding section 643 of the IDEA, the Secretary may reserve up to \$15,000,000 of the funds appropriated under section 644 of the IDEA for performance-based awards to public or private non-profit entities for Pay for Success pro-

jects to increase early screening and early intervention services for infants and toddlers with disabilities and early screening, evaluation, early intervention, and other services to at-risk infants and toddlers who may otherwise not qualify for services under Part C of the IDEA in their State: *Provided further*, That, with respect to the previous proviso, any funds obligated for such projects shall remain available until expended. (Department of Education Appropriations Act, 2015.)

Program and Financing (in millions of dollars)

Identification code 091-0300-0-1-501	2014 actual	2015 est.	2016 est.
Obligations by program activity:			
0001 Grants to States	11,479	11,498	11,673
0002 Preschool grants	353	353	403
0003 Grants for infants and families	493	439	504
0091 Subtotal, State grants	12,325	12,290	12,580
0101 State personnel development	42	42	42
0102 Technical assistance and dissemination	44	44	54
0103 Personnel preparation	84	84	84
0104 Parent information centers	27	27	27
0105 Educational technology, media, and materials	28	28	28
0191 Subtotal, National activities	225	225	235
0200 Total Direct Program	12,550	12,515	12,815
0201 Special Olympics education programs	8	8	8
0203 PROMISE: Promoting Readiness of Minors in SSI	2		
0291 Direct program activities, subtotal	10	8	8
0900 Total new obligations	12,560	12,523	12,823
Budgetary resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	73	10	9
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	3,214	3,239	3,539
1160 Appropriation, discretionary (total)	3,214	3,239	3,539
Advance appropriations, discretionary:			
1170 Advance appropriation (Advance appropriated in previous year)	9,283	9,283	9,283
1180 Advanced appropriation, discretionary (total)	9,283	9,283	9,283
1900 Budget authority (total)	12,497	12,522	12,822
1930 Total budgetary resources available	12,570	12,532	12,831
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	10	9	8
Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	6,533	6,482	5,871
3010 Obligations incurred, unexpired accounts	12,560	12,523	12,823
3020 Outlays (gross)	-12,605	-13,134	-12,541
3041 Recoveries of prior year unpaid obligations, expired	-6		
3050 Unpaid obligations, end of year	6,482	5,871	6,153
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	6,533	6,482	5,871
3200 Obligated balance, end of year	6,482	5,871	6,153
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	12,497	12,522	12,822
Outlays, gross:			
4010 Outlays from new discretionary authority	6,774	7,617	7,622
4011 Outlays from discretionary balances	5,831	5,517	4,919
4020 Outlays, gross (total)	12,605	13,134	12,541
4180 Budget authority, net (total)	12,497	12,522	12,822
4190 Outlays, net (total)	12,605	13,134	12,541

SUMMARY OF GRANTS TO STATES PROGRAM LEVEL

	[in millions of dollars]		
	2014-2015 Academic Year	2015-2016 Academic Year	2016-2017 Academic Year
Current Budget Authority	\$3,214	\$3,239	\$3,539
Advance appropriation	9,283	9,283	9,283
Total program level	12,497	12,522	12,822

Change in advance appropriation from the previous year 0 0 0

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 3 through 5 served under the Grants to States program. The goal of both of the Grants to States and the Preschool grants 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. Under current law, local educational agencies (LEAs) may reserve up to 15 percent of the funds they receive under Part B of the IDEA to provide coordinated early intervening services (CEIS) to children in grades kindergarten through twelve. In its 2016 Budget, the Administration is requesting additional flexibility to allow LEAs to provide CEIS to children ages three through five so that they are better prepared to enter school ready to learn.

Grants for infants and families.—Formula grants are provided to assist States to implement statewide systems of coordinated, comprehensive, multi-disciplinary interagency programs to provide early intervention services to children with disabilities, birth through age 2, 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. The Administration is proposing to reserve \$15 million of the increase requested for this program for Pay for Success pilots to expand early screening and early intervention services to infants and toddlers who would not otherwise qualify for these services in their State.

National activities.—These activities include personnel preparation and development, 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. The request includes \$10 million under the Technical Assistance and Dissemination program that would support new Results Driven Accountability (RDA) Implementation grants. These competitive grants will be used by States to identify and implement promising, evidence-based reforms that would improve service delivery for children with disabilities served under Parts B and C of the IDEA, while also building State and local capacity to continue to improve outcomes for those children in the long-term.

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.

Performance data related to program goals include:

Basis for Leaving Special Education for Youth with Disabilities Ages 14 and Older

	2010–2011 Actual	2011–2012 Actual	2012–2013 Actual
Status of Exiting Students			
Percent / number of students with disabilities aged 14–21 exiting special education:			
Graduated with a diploma	39.7% / 255,801	39.7% / 250,575	41.9% / 257,982
Graduated through certification	9.2% / 58,946	8.5% / 53,901	9.2% / 56,399
Transferred to regular education	9.5% / 61,243	10.2% / 64,637	9.4% / 57,639
Dropped out of school/not known to continue	12.6% / 80,927	12.7% / 80,427	12.1% / 74,502
Moved, but known to have continued in education	28.2% / 181,618	27.9% / 175,709	26.5% / 162,887
Reached maximum age for services/other .....	.8% / 5,245	.9% / 5,565	.9% / 5,839
Total	100% / 643,780	100% / 630,823	100% / 615,248

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 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 091–0300–0–1–501	2014 actual	2015 est.	2016 est.
Direct obligations:			
25.2 Other services from non-Federal sources	2	2	2
41.0 Grants, subsidies, and contributions	12,558	12,521	12,821
99.9 Total new obligations	12,560	12,523	12,823

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, [\$3,709,853,000] \$3,532,109,000, of which [\$3,335,074,000] \$3,391,770,000 shall be for grants for vocational rehabilitation services under title I of the Rehabilitation Act: *Provided*, That the Secretary may use amounts provided in this Act that remain available subsequent to the reallocation of funds to States pursuant to section 110(b) of the Rehabilitation Act for innovative activities aimed at improving the outcomes of individuals with disabilities as defined in section 7(20)(B) of the Rehabilitation Act, including activities aimed at improving the education and post-school outcomes of children receiving Supplemental Security Income ("SSI") and their families that may result in long-term improvement in the SSI child recipient's economic status and self-sufficiency: *Provided further*, That States may award subgrants for a portion of the funds to other public and private, non-profit entities: *Provided further*, That any funds made available subsequent to reallocation for innovative activities aimed at improving the outcomes of individuals with disabilities shall remain available until September 30, [2016: *Provided further*, That \$2,000,000 shall be for competitive grants to support alternative financing programs that provide for the purchase of assistive technology devices, such as a low-interest loan fund; an interest buy-down program; a revolving loan fund; a loan guarantee; or insurance program: *Provided further*, That applicants shall provide an assurance that, and information describing the manner in which, the alternative financing program will expand and emphasize consumer choice and control: *Provided further*, That State agencies and community-based disability organizations that are directed by and operated for individuals with disabilities shall be eligible to compete] 2017. (Department of Education Appropriations Act, 2015.)

Program and Financing (in millions of dollars)

Identification code 091–0301–0–1–506	2014 actual	2015 est.	2016 est.
Obligations by program activity:			
0001 Vocational rehabilitation State grants	3,026	3,092	3,392
0002 Client assistance State grants	12	13	13
0003 Supported employment State grants	27	27	30
0004 Migrant and seasonal farmworkers	1		
0005 Training	34	30	30
0006 Demonstration and training programs	6	6	6
0007 Independent living	134	134	33
0008 Protection and advocacy of individual rights	18	18	18
0009 National Institute on Disability and Rehabilitation Research	104	104	
0011 Helen Keller National Center	9	9	10
0012 Assistive technology	33	33	
0013 PROMISE/Disability innovation fund	92	39	
0100 Total direct program	3,496	3,505	3,532
0799 Total direct obligations	3,496	3,505	3,532
0801 Rehabilitation Services and Disability Research (Reimbursable)	2	2	2
0900 Total new obligations	3,498	3,507	3,534
Budgetary resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1			1
1012 Unobligated balance transfers between expired and unexpired accounts	93	39	
1050 Unobligated balance (total)	93	39	1
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	378	375	140
1160 Appropriation, discretionary (total)	378	375	140
Appropriations, mandatory:			
1200 Appropriation	3,302	3,335	3,392

REHABILITATION SERVICES—Continued
Program and Financing—Continued

Identification code 091-0301-0-1-506	2014 actual	2015 est.	2016 est.
1230 Appropriations and/or unobligated balance of appropriations permanently reduced	-238	-243	.....
1260 Appropriations, mandatory (total)	3,064	3,092	3,392
1700 Spending authority from offsetting collections, discretionary: Collected	2	2	2
1750 Spending auth from offsetting collections, disc (total)	2	2	2
1900 Budget authority (total)	3,444	3,469	3,534
1930 Total budgetary resources available	3,537	3,508	3,535
Memorandum (non-add) entries:			
1940 Unobligated balance expiring	-39	.....	.....
1941 Unexpired unobligated balance, end of year .....	.....	1	1
Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	2,292	2,407	1,964
3010 Obligations incurred, unexpired accounts	3,498	3,507	3,534
3011 Obligations incurred, expired accounts	5	.....	.....
3020 Outlays (gross)	-3,256	-3,950	-3,512
3041 Recoveries of prior year unpaid obligations, expired	-132	.....	.....
3050 Unpaid obligations, end of year	2,407	1,964	1,986
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	2,292	2,407	1,964
3200 Obligated balance, end of year	2,407	1,964	1,986
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	380	377	142
Outlays, gross:			
4010 Outlays from new discretionary authority	82	189	71
4011 Outlays from discretionary balances	291	382	200
4020 Outlays, gross (total)	373	571	271
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4030 Federal sources	-2	-2	-2
Mandatory:			
4090 Budget authority, gross	3,064	3,092	3,392
Outlays, gross:			
4100 Outlays from new mandatory authority	1,481	1,546	1,696
4101 Outlays from mandatory balances	1,402	1,833	1,545
4110 Outlays, gross (total)	2,883	3,379	3,241
4180 Budget authority, net (total)	3,442	3,467	3,532
4190 Outlays, net (total)	3,254	3,948	3,510

The Workforce Innovation and Opportunity Act (WIOA) (Public Law 113-128) which supports the Nation's primary programs and investments in employment services, workforce development, adult education, and vocational rehabilitation made significant changes to programs authorized under the Rehabilitation Act. Section 491 of WIOA transferred the State Independent Living Services program, the Centers for Independent Living program, programs under the Assistive Technology Act of 1998, and the National Institute on Disability and Rehabilitation Research from the Department's Office of Special Education and Rehabilitative Services to the Administration for Community Living in the Department of Health and Human Services (HHS). Consequently, the Department's 2016 request does not include funds for these programs.

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. In FY 2014, State VR agencies assisted more than 183,000 individuals with disabilities to obtain an employment outcome, about 92 percent of whom were individuals with significant disabilities. Amendments made by WIOA require State VR agencies to reserve and use at least 15 percent of their Federal grant allotment to support pre-employment transition services for students with disabilities provided in accordance with new section 113 of the Rehabilitation Act. Between 1.0 percent and 1.5 percent of the

funds appropriated for the VR State grants program must be set aside for Grants for Indians.

The request for the VR State Grants program includes the CPIU adjustment specified in the authorizing statute. The 2016 request also includes language that would allow the Secretary to use amounts provided in this Act for the VR State Grants program that remain available subsequent to the reallocation of funds to States pursuant to section 110(b) of the Rehabilitation Act to support innovative activities aimed at improving outcomes for individuals with disabilities, including activities under the Promoting Readiness of Minors in Supplemental Security Income (PROMISE) program.

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.

Supported employment state grants.—Under this formula grant program, State vocational rehabilitation (VR) agencies receive supplemental funds to provide ongoing support services for up to 24 months to assist individuals with the most significant disabilities in achieving competitive integrated employment. States are required to use half of funds they receive under this program to provide supported employment and extended services to youth with the most significant disabilities and to provide a match of 10 percent for the portion used to serve such youth. States are also able to use SE funds to provide extended services for up to 4 years to eligible youth with the most significant disabilities. An individual's potential for supported employment must be considered as part of the assessment to determine eligibility for the Title I Vocational Rehabilitation State Grants program.

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.

Demonstration and training programs.—Competitive grants and contracts are awarded to expand and improve the provision and effectiveness of programs and services authorized under the Rehabilitation Act or further the purposes of the Act in promoting the employment and independence of individuals with disabilities in the community. Funds are used to support model demonstrations, technical assistance, and projects designed to improve program performance and the delivery of vocational rehabilitation and independent living services.

Independent living services for older individuals who are blind.—Grants are awarded to States to assist individuals over the age of 55 with severe visual disabilities to adjust to their disability and 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.

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.

Object Classification (in millions of dollars)

Identification code 091-0301-0-1-506	2014 actual	2015 est.	2016 est.
Direct obligations:			
25.1 Advisory and assistance services	7	6	1
25.2 Other services from non-Federal sources	1	1	.....
41.0 Grants, subsidies, and contributions	3,488	3,498	3,531
99.0 Direct obligations	3,496	3,505	3,532
99.0 Reimbursable obligations	2	2	2
99.9 Total new obligations	3,498	3,507	3,534

SPECIAL INSTITUTIONS FOR PERSONS WITH DISABILITIES

AMERICAN PRINTING HOUSE FOR THE BLIND

For carrying out the Act of March 3, 1879, \$24,931,000. (Department of Education Appropriations Act, 2015.)

Program and Financing (in millions of dollars)

Identification code 091-0600-0-1-501	2014 actual	2015 est.	2016 est.
Obligations by program activity:			
0001 American printing house for the blind	24	25	25
0900 Total new obligations (object class 41.0)	24	25	25
Budgetary resources:			
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	24	25	25
1160 Appropriation, discretionary (total)	24	25	25
1930 Total budgetary resources available	24	25	25
Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	6	5	5
3010 Obligations incurred, unexpired accounts	24	25	25
3020 Outlays (gross)	-25	-25	-25
3050 Unpaid obligations, end of year	5	5	5
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	6	5	5
3200 Obligated balance, end of year	5	5	5
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	24	25	25
Outlays, gross:			
4010 Outlays from new discretionary authority	19	19	19
4011 Outlays from discretionary balances	6	6	6
4020 Outlays, gross (total)	25	25	25
4180 Budget authority, net (total)	24	25	25
4190 Outlays, net (total)	25	25	25

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 2014, the portion of the Federal appropriation allocated to educational materials represented approximately 70 percent of the Printing House's total sales. The full 2014 appropriation represented approximately 80 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, \$67,016,000: *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. (Department of Education Appropriations Act, 2015.)

Program and Financing (in millions of dollars)

Identification code 091-0601-0-1-502	2014 actual	2015 est.	2016 est.
Obligations by program activity:			
0001 Operations	66	67	67
0900 Total new obligations (object class 41.0)	66	67	67
Budgetary resources:			
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	66	67	67
1160 Appropriation, discretionary (total)	66	67	67
1930 Total budgetary resources available	66	67	67

Change in obligated balance:

Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	2	2	
3010 Obligations incurred, unexpired accounts	66	67	67
3020 Outlays (gross)	-66	-69	-67
3050 Unpaid obligations, end of year	2		
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	2	2	
3200 Obligated balance, end of year	2		

Budget authority and outlays, net:

Discretionary:			
4000 Budget authority, gross	66	67	67
Outlays, gross:			
4010 Outlays from new discretionary authority	66	67	67
4011 Outlays from discretionary balances		2	
4020 Outlays, gross (total)	66	69	67
4180 Budget authority, net (total)	66	67	67
4190 Outlays, net (total)	66	69	67

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 2014, the Federal appropriation represented approximately 72 percent of the Institute's operating budget. The 2016 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, \$120,275,000: *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. (Department of Education Appropriations Act, 2015.)

Program and Financing (in millions of dollars)

Identification code 091-0602-0-1-502	2014 actual	2015 est.	2016 est.
Obligations by program activity:			
0001 Operations	119	120	120
0900 Total new obligations (object class 41.0)	119	120	120
Budgetary resources:			
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	119	120	120
1160 Appropriation, discretionary (total)	119	120	120
1930 Total budgetary resources available	119	120	120
Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	25	24	2
3010 Obligations incurred, unexpired accounts	119	120	120
3020 Outlays (gross)	-120	-142	-121
3050 Unpaid obligations, end of year	24	2	1
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	25	24	2
3200 Obligated balance, end of year	24	2	1
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	119	120	120
Outlays, gross:			
4010 Outlays from new discretionary authority	119	120	120
4011 Outlays from discretionary balances	1	22	1
4020 Outlays, gross (total)	120	142	121
4180 Budget authority, net (total)	119	120	120
4190 Outlays, net (total)	120	142	121

This institution provides undergraduate, continuing education, and graduate programs related to deafness for students who are deaf and hard of hearing. The University also conducts basic and applied research and

GALLAUDET UNIVERSITY—Continued

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 2014, the appropriation for Gallaudet represented approximately 69 percent of total revenue for the University. Approximately 25 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 2016 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 and [] the Adult Education and Family Literacy Act [("AEFLA"), \$1,707,686,000], \$588,667,000, [of] which [\$916,686,000] shall become available on July 1, [2015] 2016, and shall remain available through September 30, [2016] 2017 [], and of which \$791,000,000 shall become available on October 1, 2015, and shall remain available through September 30, 2016: *Provided*, That [of the amount provided for Adult Education State Grants, \$71,439,000 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, \$13,712,000] \$19,712,000 shall be for national leadership activities under section [243] 242. (*Department of Education Appropriations Act, 2015.*)

Program and Financing (in millions of dollars)

Identification code 091-0400-0-1-501	2014 actual	2015 est.	2016 est.
Obligations by program activity:			
0001 Career and technical education State grants	1,117	1,117	791
0002 Career and technical education national programs	8	8	.....
0091 Total, Career and technical education	1,125	1,125	791
0101 Adult basic and literacy education State grants	564	569	569
0102 Adult education national leadership activities	11	14	20
0191 Total, adult education	575	583	589
0900 Total new obligations	1,700	1,708	1,380
Budgetary resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	29	36	36
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	912	917	589
1121 Appropriations transferred from other acct [485-2728]	2	.....	.....
1160 Appropriation, discretionary (total)	914	917	589
Advance appropriations, discretionary:			
1170 Advance appropriation from prior year	791	791	791

1180	Advanced appropriation, discretionary (total)	791	791	791
Spending authority from offsetting collections, discretionary:				
1700	Collected	2	.....	.....
1750	Spending auth from offsetting collections, disc (total)	2	.....	.....
1900	Budget authority (total)	1,707	1,708	1,380
1930	Total budgetary resources available	1,736	1,744	1,416
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year	36	36	36

Change in obligated balance:

Unpaid obligations:				
3000	Unpaid obligations, brought forward, Oct 1	1,326	1,338	1,397
3010	Obligations incurred, unexpired accounts	1,700	1,708	1,380
3011	Obligations incurred, expired accounts	2	.....	.....
3020	Outlays (gross)	-1,683	-1,649	-1,436
3041	Recoveries of prior year unpaid obligations, expired	-7	.....	.....
3050	Unpaid obligations, end of year	1,338	1,397	1,341
Memorandum (non-add) entries:				
3100	Obligated balance, start of year	1,326	1,338	1,397
3200	Obligated balance, end of year	1,338	1,397	1,341

Budget authority and outlays, net:

Discretionary:				
4000	Budget authority, gross	1,707	1,708	1,380
Outlays, gross:				
4010	Outlays from new discretionary authority	600	622	597
4011	Outlays from discretionary balances	1,083	1,027	839
4020	Outlays, gross (total)	1,683	1,649	1,436
Offsets against gross budget authority and outlays:				
Offsetting collections (collected) from:				
4030	Federal sources	-2	.....	.....
4180	Budget authority, net (total)	1,705	1,708	1,380
4190	Outlays, net (total)	1,681	1,649	1,436

SUMMARY OF PROGRAM LEVEL

	2014-15 Academic Year	2015-16 Academic Year	2016-17 Academic Year
New Budget Authority	\$912	\$917	\$1,125
Advance Appropriation	791	791	791
Total program level	1,703	1,708	1,916
Change in advance appropriation over previous year	0	0	0

The Administration is proposing legislation reauthorizing the Carl D. Perkins Career and Technical Education Act of 2006, including programs in this account. 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.

Adult education:

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.

Adult education 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. The additional funds requested in fiscal year 2016 would support States in their efforts to improve adult education standards and assessments and to carry out data collection activities during the first year of full implementation of the reauthorized program.

Object Classification (in millions of dollars)

Identification code 091-0400-0-1-501	2014 actual	2015 est.	2016 est.
Direct obligations:			
25.2	Other services from non-Federal sources	13	7
25.5	Research and development contracts	14	1
25.7	Operation and maintenance of equipment	2	2
41.0	Grants, subsidies, and contributions	1,684	1,692
		1,692	1,372

99.9	Total new obligations	1,700	1,708	1,380
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CAREER, TECHNICAL AND ADULT EDUCATION
(Legislative proposal, not subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 091-0400-2-1-501	2014 actual	2015 est.	2016 est.
Obligations by program activity:			
0001	Career and technical education State grants		527
0002	Career and technical education national programs		9
0900	Total new obligations		536
Budgetary resources:			
Budget authority:			
Appropriations, discretionary:			
1100	Appropriation		536
1160	Appropriation, discretionary (total)		536
1900	Budget authority (total)		536
1930	Total budgetary resources available		536
Change in obligated balance:			
Unpaid obligations:			
3010	Obligations incurred, unexpired accounts		536
3020	Outlays (gross)		-27
3050	Unpaid obligations, end of year		509
Memorandum (non-add) entries:			
3200	Obligated balance, end of year		509
Budget authority and outlays, net:			
Discretionary:			
4000	Budget authority, gross		536
Outlays, gross:			
4010	Outlays from new discretionary authority		27
4180	Budget authority, net (total)		536
4190	Outlays, net (total)		27

The resources in this schedule are proposed for later transmittal under proposed legislation to reauthorize the Carl D. Perkins Career and Technical Education Act of 2006.

Career and Technical Education:

Career and technical education State grants.—Funds would support formula grants to States for programs that focus on improving the academic achievement and career and technical skills of secondary and postsecondary students. Funds would also support projects to promote innovation in career and technical education. The request includes funding for a Career and Technical Education Innovation Fund competition for grants to support the development and operation of innovative, evidence-based job training programs in high-demand fields that provide a path to the middle class for low-income individuals.

Career and technical education national programs.—Funds would support discretionary activities to support research, evaluation, data collection, technical assistance, and other national leadership activities aimed at improving the quality and effectiveness of career and technical education. The request includes funding to provide technical assistance and evaluation support for projects under the Career and Technical Education Innovation Fund proposal described in the request for Career and Technical Education State Grants.

Object Classification (in millions of dollars)

Identification code 091-0400-2-1-501	2014 actual	2015 est.	2016 est.
Direct obligations:			
25.2	Other services from non-Federal sources		7
25.5	Research and development contracts		1
25.7	Operation and maintenance of equipment		1
41.0	Grants, subsidies, and contributions		527
99.9	Total new obligations		536

OFFICE OF POSTSECONDARY EDUCATION

Federal Funds

HIGHER EDUCATION

For carrying out, to the extent not otherwise provided, titles II, III, IV, V, VI, VII, and VIII of the 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, **[\$1,924,839,000] \$2,072,045,000: Provided, That \$30,000,000 shall be used for data collection, evaluation, research, and demonstration activities relating to programs under the HEA, including such activities that are designed to test approaches for providing grant, loan, or work assistance under title IV of the HEA in ways that promote access to, and completion of, affordable and high quality postsecondary education programs: 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 up to 1.5 percent of the funds made available under chapter 2 of subpart 2 of part A of title IV of the HEA may be used for evaluation: Provided further, That up to 2.5 percent of the funds made available under this Act for part B of title VII of the HEA may be used for technical assistance and the evaluation of activities carried out under such section: Provided further, That notwithstanding chapter 1 of subpart 2 of part A of title IV of the HEA, the Secretary may reserve up to \$20,000,000 of the funds made available for section 402A(g) of the HEA to support the demonstration and rigorous evaluation of college access and completion strategies through cooperative agreements with entities that received fiscal year 2015 awards under section 402A. (Department of Education Appropriations Act, 2015.)**

Program and Financing (in millions of dollars)

Identification code 091-0201-0-1-502	2014 actual	2015 est.	2016 est.	
Obligations by program activity:				
0001	Strengthening institutions	79	80	80
0002	Strengthening tribally controlled colleges and universities	53	53	56
0003	Strengthening Alaska Native and Native Hawaiian-serving institutions	27	27	28
0004	Strengthening historically Black colleges and universities	316	306	313
0005	Strengthening historically Black graduate institutions	58	59	59
0006	Masters degree programs for HBCUs and predominantly Black institutions	11		
0007	Strengthening predominantly Black institutions	9	23	24
0008	Strengthening Asian American- and Native American Pacific Islander-serving institutions	8	8	8
0009	Strengthening Native American-serving nontribal institutions	8	8	8
0010	Minority science and engineering improvement	9	9	9
0091	Subtotal, aid for institutional development	578	573	585
0101	Developing Hispanic-serving institutions	99	100	100
0102	Developing Hispanic-serving institution STEM and articulation programs	95	93	100
0103	Promoting baccalaureate opportunities for Hispanic Americans	20	9	11
0104	International education and foreign language studies	72	72	76
0105	Fund for the Improvement of Postsecondary Education	79	68	200
0106	Model transition programs for students with intellectual disabilities into higher education	10	12	12
0107	Tribally controlled postsecondary career and technical institutions	8	8	8
0191	Subtotal, other aid for institutions	383	362	507
0201	Federal TRIO programs	838	840	860
0202	Gaining early awareness and readiness for undergraduate programs (GEAR UP)	302	302	302
0203	Graduate assistance in areas of national need	29	29	29
0204	Child care access means parents in school	15	15	15
0291	Subtotal, assistance for students	1,184	1,186	1,206
0301	Teacher quality partnership	41	41	
0302	GPRA data/HEA program evaluation	1		30
0303	College access challenge grants	69		
0391	Subtotal, other higher education activities	111	41	30
0900	Total new obligations	2,256	2,162	2,328

HIGHER EDUCATION—Continued
Program and Financing—Continued

Identification code 091-0201-0-1-502	2014 actual	2015 est.	2016 est.
Budgetary resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	1		123
1001 Discretionary unobligated balance brought fwd, Oct 1	1		
1012 Unobligated balance transfers between expired and unexpired accounts			
	129	124	124
1050 Unobligated balance (total)	130	124	247
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	1,925	1,925	2,072
1160 Appropriation, discretionary (total)	1,925	1,925	2,072
Appropriations, mandatory:			
1200 Appropriation	428	236	255
1230 Appropriations and/or unobligated balance of appropriations permanently reduced	-31		
1260 Appropriations, mandatory (total)	397	236	255
Spending authority from offsetting collections, discretionary:			
1700 Collected	1		
1750 Spending auth from offsetting collections, disc (total)	1		
1900 Budget authority (total)	2,323	2,161	2,327
1930 Total budgetary resources available	2,453	2,285	2,574
Memorandum (non-add) entries:			
1940 Unobligated balance expiring	-197		
1941 Unexpired unobligated balance, end of year		123	246
Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	3,084	3,136	3,050
3010 Obligations incurred, unexpired accounts	2,256	2,162	2,328
3020 Outlays (gross)	-2,166	-2,248	-2,182
3041 Recoveries of prior year unpaid obligations, expired	-38		
3050 Unpaid obligations, end of year	3,136	3,050	3,196
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	3,084	3,136	3,050
3200 Obligated balance, end of year	3,136	3,050	3,196
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	1,926	1,925	2,072
Outlays, gross:			
4010 Outlays from new discretionary authority	33	58	62
4011 Outlays from discretionary balances	1,770	1,756	1,830
4020 Outlays, gross (total)	1,803	1,814	1,892
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4030 Federal sources	-1		
Mandatory:			
4090 Budget authority, gross	397	236	255
Outlays, gross:			
4100 Outlays from new mandatory authority		7	8
4101 Outlays from mandatory balances	363	427	282
4110 Outlays, gross (total)	363	434	290
4180 Budget authority, net (total)	2,322	2,161	2,327
4190 Outlays, net (total)	2,165	2,248	2,182

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 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 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 by providing institutional and fellowship grant funding to strengthen the capability and performance of American education in foreign languages and in area and international studies.

Fund for the improvement of postsecondary education.—Funds would support the First in the World initiative, an evidence-based program that supports the development and evaluation of innovative strategies designed to improve college completion, particularly for high-need students.

Model Transition Programs for Students with Intellectual Disabilities into Higher Education.—Funds support grants to institutions of higher education or consortia of such institutions to create or expand high quality, inclusive model comprehensive transition and postsecondary programs for students with intellectual disabilities.

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

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.

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.

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, evaluation, research, and demonstration activities relating to programs under the Higher Education Act (HEA).

Object Classification (in millions of dollars)

Identification code 091-0201-0-1-502	2014 actual	2015 est.	2016 est.
Direct obligations:			
25.1 Advisory and assistance services	5	5	4
25.2 Other services from non-Federal sources	7	8	9
25.7 Operation and maintenance of equipment	2	1	1
41.0 Grants, subsidies, and contributions	2,242	2,148	2,314
99.9 Total new obligations	2,256	2,162	2,328

HIGHER EDUCATION

(Legislative proposal, subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 091-0201-4-1-502	2014 actual	2015 est.	2016 est.
Obligations by program activity:			
0401 America's college promise			1,365
0402 College opportunity and graduation bonus			647
0900 Total new obligations (object class 41.0)			2,012
Budgetary resources:			
Budget authority:			
Appropriations, mandatory:			
1200 Appropriation			2,012
1260 Appropriations, mandatory (total)			2,012
1930 Total budgetary resources available			2,012
Change in obligated balance:			
Unpaid obligations:			
3010 Obligations incurred, unexpired accounts			2,012
3020 Outlays (gross)			-164
3050 Unpaid obligations, end of year			1,848
Memorandum (non-add) entries:			
3200 Obligated balance, end of year			1,848
Budget authority and outlays, net:			
Mandatory:			
4090 Budget authority, gross			2,012
Outlays, gross:			
4100 Outlays from new mandatory authority			164
4180 Budget authority, net (total)			2,012
4190 Outlays, net (total)			164

America's college promise.—Funds are provided to create a new partnership with states to make two years of community college free for responsible students by helping them waive tuition in high-quality programs while promoting key reforms to help more students complete at least two years of college.

College opportunity and graduation bonus.—Funds would support a program to reward colleges that successfully enroll and graduate a significant number of low- and moderate-income students on time and encourage all institutions to improve their performance.

HOWARD UNIVERSITY

For partial support of Howard University, \$221,821,000, of which not less than \$3,405,000 shall be for a matching endowment grant pursuant to the Howard University Endowment Act and shall remain available until expended. (*Department of Education Appropriations Act, 2015.*)

Program and Financing (in millions of dollars)

Identification code 091-0603-0-1-502	2014 actual	2015 est.	2016 est.
Obligations by program activity:			
0001 General support	195	195	195
0002 Howard University Hospital	27	27	27
0900 Total new obligations (object class 41.0)	222	222	222
Budgetary resources:			
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	222	222	222
1160 Appropriation, discretionary (total)	222	222	222
1930 Total budgetary resources available	222	222	222
Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	4	4	13
3010 Obligations incurred, unexpired accounts	222	222	222
3020 Outlays (gross)	-222	-213	-222
3050 Unpaid obligations, end of year	4	13	13
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	4	4	13
3200 Obligated balance, end of year	4	13	13
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	222	222	222
Outlays, gross:			
4010 Outlays from new discretionary authority	219	209	209
4011 Outlays from discretionary balances	3	4	13
4020 Outlays, gross (total)	222	213	222
4180 Budget authority, net (total)	222	222	222
4190 Outlays, net (total)	222	213	222

Howard University is a private, nonprofit educational institution consisting of 13 schools and colleges. Federal funds are used to provide partial support for university programs as well as for the teaching hospital facilities. In 2014, Federal funding represented approximately 38 percent of the University's revenue.

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 HEA, **[\$435,000]** \$450,000. (*Department of Education Appropriations Act, 2015.*)

HISTORICALLY BLACK COLLEGE AND UNIVERSITY CAPITAL FINANCING PROGRAM ACCOUNT

For the cost of guaranteed loans, \$19,096,000, as authorized pursuant to part D of title III of the HEA, which shall remain available through September 30, **[2016]** 2017: *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 \$303,593,000: *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, **[\$334,000]** \$340,000. (*Department of Education Appropriations Act, 2015.*)

COLLEGE HOUSING AND ACADEMIC FACILITIES LOANS PROGRAM ACCOUNT—Continued

Program and Financing (in millions of dollars)

Identification code 091-0241-0-1-502	2014 actual	2015 est.	2016 est.
Obligations by program activity:			
Credit program obligations:			
0701 Direct loan subsidy	3	19	19
0705 Reestimates of direct loan subsidy	21	31	.....
0709 Administrative expenses	1	1	1
0900 Total new obligations (object class 41.0)	25	51	20
Budgetary resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	.....	16	16
1001 Discretionary unobligated balance brought fwd, Oct 1 .....	.....	16	.....
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	20	20	20
1160 Appropriation, discretionary (total)	20	20	20
Appropriations, mandatory:			
1200 Appropriation	36	31	.....
1260 Appropriations, mandatory (total)	36	31	.....
1900 Budget authority (total)	56	51	20
1930 Total budgetary resources available	56	67	36
Memorandum (non-add) entries:			
1940 Unobligated balance expiring	-15	.....	.....
1941 Unexpired unobligated balance, end of year	16	16	16
Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	35	28	36
3010 Obligations incurred, unexpired accounts	25	51	20
3020 Outlays (gross)	-32	-43	-12
3050 Unpaid obligations, end of year	28	36	44
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	35	28	36
3200 Obligated balance, end of year	28	36	44
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	20	20	20
Outlays, gross:			
4010 Outlays from new discretionary authority	3	5	5
4011 Outlays from discretionary balances	8	7	7
4020 Outlays, gross (total)	11	12	12
Mandatory:			
4090 Budget authority, gross	36	31	.....
Outlays, gross:			
4100 Outlays from new mandatory authority	21	31	.....
4180 Budget authority, net (total)	56	51	20
4190 Outlays, net (total)	32	43	12

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

Identification code 091-0241-0-1-502	2014 actual	2015 est.	2016 est.
Direct loan levels supportable by subsidy budget authority:			
115002 Historically Black Colleges and Universities	111	303	303
115999 Total direct loan levels	111	303	303
Direct loan subsidy (in percent):			
132002 Historically Black Colleges and Universities	3.09	5.94	6.67
132999 Weighted average subsidy rate	3.09	5.94	6.67
Direct loan subsidy budget authority:			
133002 Historically Black Colleges and Universities	3	19	19
133999 Total subsidy budget authority	3	19	19
Direct loan subsidy outlays:			
134002 Historically Black Colleges and Universities	10	11	11
134999 Total subsidy outlays	10	11	11
Direct loan reestimates:			
135002 Historically Black Colleges and Universities	12	-6	.....
135003 HBCU Hurricane Supplemental	-14	-46	.....
135999 Total direct loan reestimates	-2	-52	.....
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, as well as any administrative expenses for the College Housing and Academic Facilities Loans (CHAFL) Program and the Historically Black College and University (HBCU) 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 Budget for presentation purposes.

College housing and academic facilities loans program.—Funds for this activity pay the Federal costs of administering 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 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 \$19.1 million in new loan subsidies, allowing the program to guarantee an estimated \$286 million in new loans in 2016. 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.

Employment Summary

Identification code 091-0241-0-1-502	2014 actual	2015 est.	2016 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 091-4252-0-3-502	2014 actual	2015 est.	2016 est.
Obligations by program activity:			
Credit program obligations:			
0713 Payment of interest to Treasury	1	1	1
0900 Total new obligations	1	1	1
Budgetary resources:			
Financing authority:			
Spending authority from offsetting collections, mandatory:			
1800 Collected	2	1	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
Change in obligated balance:			
Unpaid obligations:			
3010 Obligations incurred, unexpired accounts	1	1	1
3020 Financing disbursements (gross)	-1	-1	-1
Financing authority and disbursements, net:			
Mandatory:			
4090 Financing authority, gross	1	1	1
Financing disbursements:			
4110 Financing disbursements, gross	1	1	1
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4123 Interest repayments	-2	-1	-1

4180	Financing authority, net (total)	-1		
4190	Financing disbursements, net (total)	-1		

Status of Direct Loans (in millions of dollars)

Identification code 091-4252-0-3-502	2014 actual	2015 est.	2016 est.	
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year	5	5	5
1251	Repayments: Repayments and prepayments			
1290	Outstanding, end of year	5	5	5

Balance Sheet (in millions of dollars)

Identification code 091-4252-0-3-502	2013 actual	2014 actual	
ASSETS:			
Net value of assets related to post-1991 direct loans receivable:			
1401	Direct loans receivable, gross	10	5
1405	Allowance for subsidy cost (-)	-2	-1
1499	Net present value of assets related to direct loans	8	4
1999	Total assets	8	4
LIABILITIES:			
2103	Federal liabilities: Debt	8	4
4999	Total liabilities and net position	8	4

COLLEGE HOUSING AND ACADEMIC FACILITIES LOANS LIQUIDATING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 091-0242-0-1-502	2014 actual	2015 est.	2016 est.	
Obligations by program activity:				
Credit program obligations:				
0713	Payment of interest to Treasury	3	4	4
0900	Total new obligations (object class 43.0)	3	4	4
Budgetary resources:				
Budget authority:				
Appropriations, mandatory:				
1200	Appropriation	1	1	1
1260	Appropriations, mandatory (total)	1	1	1
Spending authority from offsetting collections, mandatory:				
1800	Collected	21	26	26
1820	Capital transfer of spending authority from offsetting collections to general fund	-15	-19	-19
1825	Spending authority from offsetting collections applied to repay debt	-4	-4	-4
1850	Spending auth from offsetting collections, mand (total)	2	3	3
1900	Budget authority (total)	3	4	4
1930	Total budgetary resources available	3	4	4
Change in obligated balance:				
Unpaid obligations:				
3000	Unpaid obligations, brought forward, Oct 1	1	1	1
3010	Obligations incurred, unexpired accounts	3	4	4
3020	Outlays (gross)	-3	-4	-4
3050	Unpaid obligations, end of year	1	1	1
Memorandum (non-add) entries:				
3100	Obligated balance, start of year	1	1	1
3200	Obligated balance, end of year	1	1	1
Budget authority and outlays, net:				
Mandatory:				
4090	Budget authority, gross	3	4	4
Outlays, gross:				
4100	Outlays from new mandatory authority	3	4	4
Offsets against gross budget authority and outlays:				
Offsetting collections (collected) from:				
4123	Non-Federal sources	-21	-26	-26
4180	Budget authority, net (total)	-18	-22	-22
4190	Outlays, net (total)	-18	-22	-22

Status of Direct Loans (in millions of dollars)

Identification code 091-0242-0-1-502	2014 actual	2015 est.	2016 est.	
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year	132	128	124
1251	Repayments: Repayments and prepayments	-4	-4	-4
1290	Outstanding, end of year	128	124	120

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 091-0242-0-1-502	2013 actual	2014 actual	
ASSETS:			
1601	Direct loans, gross	132	128
1602	Interest receivable	6	6
1699	Value of assets related to direct loans	138	134
1999	Total assets	138	134
LIABILITIES:			
Federal liabilities:			
2103	Debt	42	38
2104	Resources payable to Treasury	96	96
2999	Total liabilities	138	134
4999	Total liabilities and net position	138	134

HISTORICALLY BLACK COLLEGE AND UNIVERSITY CAPITAL FINANCING DIRECT LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 091-4255-0-3-502	2014 actual	2015 est.	2016 est.	
Obligations by program activity:				
Interest paid to Treasury (FFB)				
0004	Interest paid to Treasury (FFB)	27	22	30
Credit program obligations:				
0710	Direct loan obligations	111	303	303
0742	Downward reestimate paid to receipt account	24	39	
0743	Interest on downward reestimates		44	
0791	Direct program activities, subtotal	135	386	303
0900	Total new obligations	162	408	333
Budgetary resources:				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1	242	252	230
1023	Unobligated balances applied to repay debt	-5		
1050	Unobligated balance (total)	237	252	230
Financing authority:				
Borrowing authority, mandatory:				
1400	Borrowing authority	111	303	303
1440	Borrowing authority, mandatory (total)	111	303	303
Spending authority from offsetting collections, mandatory:				
1800	Collected	87	132	106
1825	Spending authority from offsetting collections applied to repay debt	-21	-49	-45
1850	Spending auth from offsetting collections, mand (total)	66	83	61
1900	Financing authority (total)	177	386	364
1930	Total budgetary resources available	414	638	594
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year	252	230	261
Change in obligated balance:				
Unpaid obligations:				
3000	Unpaid obligations, brought forward, Oct 1	260	212	463
3010	Obligations incurred, unexpired accounts	162	408	333
3020	Financing disbursements (gross)	-210	-157	-239

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

Program and Financing—Continued

Identification code 091-4255-0-3-502	2014 actual	2015 est.	2016 est.
3050 Unpaid obligations, end of year	212	463	557
Uncollected payments:			
3060 Uncollected pymts, Fed sources, brought forward, Oct 1	-22	-22	-22
3090 Uncollected pymts, Fed sources, end of year	-22	-22	-22
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	238	190	441
3200 Obligated balance, end of year	190	441	535
Financing authority and disbursements, net:			
Mandatory:			
4090 Financing authority, gross	177	386	364
Financing disbursements:			
4110 Financing disbursements, gross	210	157	239
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4120 Federal sources	-31	-42	-11
4122 Interest on uninvested funds	-11	-19	-20
4123 Interest repayments	-22	-22	-30
4123 Principal repayments	-23	-49	-45
4130 Offsets against gross financing auth and disbursements (total)	-87	-132	-106
4160 Financing authority, net (mandatory)	90	254	258
4170 Financing disbursements, net (mandatory)	123	25	133
4180 Financing authority, net (total)	90	254	258
4190 Financing disbursements, net (total)	123	25	133

Status of Direct Loans (in millions of dollars)

Identification code 091-4255-0-3-502	2014 actual	2015 est.	2016 est.
Position with respect to appropriations act limitation on obligations:			
1111 Direct loan obligations from current-year authority	111	303	303
1150 Total direct loan obligations	111	303	303
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	1,128	1,259	1,332
1231 Disbursements: Direct loan disbursements	158	114	174
1251 Repayments: Repayments and prepayments	-27	-41	-41
1290 Outstanding, end of year	1,259	1,332	1,465

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 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 091-4255-0-3-502	2013 actual	2014 actual
ASSETS:		
1101 Federal assets: Fund balances with Treasury	202	202
Net value of assets related to post-1991 direct loans receivable:		
1401 Direct loans receivable, gross	1,259	1,259
1402 Interest receivable	11	11
1405 Allowance for subsidy cost (-)	-207	-207
1499 Net present value of assets related to direct loans	1,063	1,063
1999 Total assets	1,265	1,265
LIABILITIES:		
Federal liabilities:		
2102 Interest payable	6	6
2103 Debt	1,259	1,259
2999 Total liabilities	1,265	1,265

4999 Total liabilities and net position	1,265	1,265
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OFFICE OF FEDERAL STUDENT AID

Federal Funds

STUDENT FINANCIAL ASSISTANCE

For carrying out subparts 1 [, 3, and 10] and 3 of part A, and part C of title IV of the HEA, \$24,198,210,000, which shall remain available through September 30, [2016] 2017: Provided, That, of amounts provided under this heading, \$2,124,000,000 shall also be available for Pell Grants for award year 2017-2018.

The maximum Pell Grant for which a student shall be eligible during award year [2015-2016] 2016-2017 shall be \$4,860. (Department of Education Appropriations Act, 2015.)

Program and Financing (in millions of dollars)

Identification code 091-0200-0-1-502	2014 actual	2015 est.	2016 est.
Obligations by program activity:			
0101 Federal Pell grants	29,808	31,297	32,169
0201 Federal supplemental educational opportunity grants (SEOG)	736	734	733
0202 Federal work-study	978	992	990
0291 Campus-based activities - Subtotal	1,714	1,726	1,723
0900 Total new obligations (object class 41.0)	31,522	33,023	33,892

Budgetary resources:

Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	11,895	10,514	8,401
1001 Discretionary unobligated balance brought fwd, Oct 1	4,308	5,130	
1021 Recoveries of prior year unpaid obligations	231		
1050 Unobligated balance (total)	12,126	10,514	8,401
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	24,486	24,198	24,198
1160 Appropriation, discretionary (total)	24,486	24,198	24,198
Appropriations, mandatory:			
1200 Appropriation	5,424	6,712	6,519
1260 Appropriations, mandatory (total)	5,424	6,712	6,519
1900 Budget authority (total)	29,910	30,910	30,717
1930 Total budgetary resources available	42,036	41,424	39,118
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	10,514	8,401	5,226

Change in obligated balance:

Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	22,727	20,772	21,730
3010 Obligations incurred, unexpired accounts	31,522	33,023	33,892
3011 Obligations incurred, expired accounts	117		
3020 Outlays (gross)	-33,176	-32,065	-32,987
3040 Recoveries of prior year unpaid obligations, unexpired	-231		
3041 Recoveries of prior year unpaid obligations, expired	-187		
3050 Unpaid obligations, end of year	20,772	21,730	22,635
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	22,727	20,772	21,730
3200 Obligated balance, end of year	20,772	21,730	22,635

Budget authority and outlays, net:

Discretionary:			
4000 Budget authority, gross	24,486	24,198	24,198
Outlays, gross:			
4010 Outlays from new discretionary authority	4,396	4,695	5,531
4011 Outlays from discretionary balances	20,484	16,463	21,528
4020 Outlays, gross (total)	24,880	21,158	27,059
Mandatory:			
4090 Budget authority, gross	5,424	6,712	6,519
Outlays, gross:			
4100 Outlays from new mandatory authority	2,009	2,468	1,695
4101 Outlays from mandatory balances	6,287	8,439	4,233
4110 Outlays, gross (total)	8,296	10,907	5,928
4180 Budget authority, net (total)	29,910	30,910	30,717
4190 Outlays, net (total)	33,176	32,065	32,987

Status of Direct Loans (in millions of dollars)

Identification code 091-0200-0-1-502	2014 actual	2015 est.	2016 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	317	330	321
1251 Repayments: Repayments and prepayments	-36	-28	-24
Write-offs for default:			
1263 Direct loans		-1	-1
1264 Other adjustments, net (+ or -)	49	20	20
1290 Outstanding, end of year	330	321	316

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 more than 11.0 million awards totaling more than \$34.9 billion in available aid in award year 2016–2017. In addition, the request would provide \$4.1 billion in aid to an estimated 731,000 students through an expanded Perkins loan program.

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 mandatory budget authority provided by the College Cost Reduction and Access Act, as amended, and changes to the Higher Education Act of 1965 made in the 2012 appropriations act.

In 2016, nearly 8.4 million undergraduates will receive up to \$4,860 from the discretionary award and an additional \$1,055 from the mandatory addition 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 2016 Budget request includes \$22.5 billion in discretionary funding for Pell Grants in 2016, which, when combined with mandatory funding, will support a projected maximum award of \$5,915. Additionally, the Budget proposes to make several small reforms to the Pell Grant program:

First, it will strengthen academic progress requirements in the Pell Grant program.

Second, it would allow students enrolled in eligible career pathways programs to get the maximum Pell Grant award. An expansion in 2015 only provided these students partial Pell awards.

Third, it would limit the receipt of additional Pell disbursements by recipients who are not advancing academically.

Fourth, the Budget would move Iraq Afghanistan Service Grants to the Pell Grant program so eligible students receive the full, non-sequestered Pell award.

Fifth, and finally, the Budget proposes eliminating questions related to assets, non-IRS untaxed income, non-IRS income exclusions, and other income adjustments, which have been shown to confuse students. To prevent resulting decreases in Pell Grant awards, the Budget also proposes a \$600 reduction in Expected Family Contributions.

The Budget also extends the inflationary increase to the maximum Pell grant award, which is scheduled to end after the 2017–2018 award year.

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 2016 Budget includes \$733 million for SEOG, which would generate \$976.5 million in aid to 1.6 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 2016 Budget includes \$989.7 million

for Work-Study, which would generate \$1.2 billion in aid to 703,000 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, and the program is scheduled to end at the end of 2015. Some students are eligible for loans for five additional years through a narrow grandfathering provision. As current Perkins Loan borrowers repay their loans, schools would remit the Federal share of those payments to the Department of Education, beginning at the statutory date described in the Higher Education Act of 1965. Schools would retain their own share of the revolving funds. The Budget proposes to modernize and expand the Perkins Loan program so more colleges can participate and more students can access loans. The proposal would increase, beginning on July 1, 2016, the annual loan amounts available to students to \$8.5 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. This new formula will encourage colleges to control costs and offer need-based aid to prevent excessive indebtedness. Schools would have some discretion about student eligibility. Perkins Loan borrowers would be charged the same interest rate as Unsubsidized Stafford Loan borrowers. Perkins loans would accrue interest while students are in school, and other loan terms and conditions would be the same as current Unsubsidized Stafford loans. Mandatory loan subsidy costs of this proposal would reduce 2016 outlays by \$418 million, savings which would be reinvested in student aid, specifically to continue indexing the Pell Grant to inflation beyond 2017. Subsidy costs are displayed in the Federal Perkins Loan program account.

Iraq and Afghanistan service grants.—This program 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 2016 Budget proposes to move the Iraq and Afghanistan Service Grant program into the Pell Grant program, so eligible students receive a full, non-sequestered award.

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 2016 data in these tables reflect the Administration's legislative proposals.

AID FUNDS AVAILABLE FOR POSTSECONDARY EDUCATION AND TRAINING

	[in thousands of dollars]		
	2014	2015	2016
Pell grants	\$30,998,135	\$31,326,815	\$32,113,120
Student loans:			
Subsidized Stafford loans	26,199,894	26,346,005	26,954,466
Unsubsidized Stafford loans (Undergraduates)	27,950,514	28,513,646	29,969,604
Unsubsidized Stafford loans (Graduate students)	26,611,965	28,988,697	31,013,184
Unsubsidized Stafford loans (total)	55,562,479	57,502,343	60,982,788
Parent PLUS loans	10,786,584	11,361,379	11,978,431
Grad PLUS loans	8,266,179	8,705,513	9,244,696
PLUS loans (total)	19,053,303	20,066,893	21,223,127
Consolidation	34,569,391	26,575,291	27,808,075
Perkins loans	1,010,264	1,010,264	613,044
Unsubsidized Perkins loans	0	0	4,113,423
Student loans, subtotal	136,395,331	131,500,796	141,694,923
Work-study	1,158,522	1,176,350	1,176,350
Supplemental educational opportunity grants	976,513	976,513	976,513
Iraq and Afghanistan service grants	331	376	0 ¹
TEACH grants	91,554	80,423	94,318
Total aid available	169,614,386	165,056,273	176,051,225

¹ Value in 2016 reflects Budget policy to make Iraq and Afghanistan service grants part of the Pell Grant program.

STUDENT FINANCIAL ASSISTANCE—Continued

NUMBER OF AID AWARDS

	[in thousands]		
	2014	2015	2016
Pell grants	8,173	8,237	8,376
Subsidized Stafford loans	8,134	8,141	8,321
Unsubsidized Stafford loans (Undergraduates)	8,108	8,175	8,494
Unsubsidized Stafford loans (Graduate students)	1,979	2,038	2,142
Parent PLUS loans	849	880	913
Grad PLUS loans	514	537	564
Consolidation loans	686	488	503
Perkins loans	502	502	313
Unsubsidized Perkins loans	0	0	731
Work-study	692	703	703
Supplemental educational opportunity grants	1,629	1,629	1,629
Iraq and Afghanistan service grants	0 ¹	0 ¹	0 ²
TEACH grants	33	31	33
Total awards	31,299	31,361	32,724

¹Number of recipients is fewer than 1,000.

²Value in 2016 reflects Budget policy to make Iraq and Afghanistan service grants part of the Pell Grant program.

AVERAGE AID AWARDS

	[in whole dollars]		
	2014	2015	2016
Pell grants	3,793	3,803	3,834
Subsidized Stafford loans	3,221	3,236	3,240
Unsubsidized Stafford loans (Undergraduates)	3,447	3,488	3,526
Unsubsidized Stafford loans (Graduate students)	13,954	14,226	14,476
Parent PLUS loans	12,703	12,907	13,117
Grad PLUS loans	16,098	16,219	16,383
Consolidation loans	50,390	54,415	55,294
Perkins loans	2,014	2,014	1,957
Unsubsidized Perkins loans	0	0	5,630
Work-study	1,673	1,673	1,678
Supplemental educational opportunity grants	599	599	599
Iraq and Afghanistan service grants	4,940	5,013	0 ¹
TEACH grants	2,815	2,633	2,825

¹Value in 2016 reflects Budget policy to make Iraq and Afghanistan service grants part of the Pell Grant program.

NUMBER OF STUDENTS AIDED

	[in thousands]		
	2014	2015	2016
Unduplicated student count	12,770	13,150	13,235

ADMINISTRATIVE PAYMENTS TO INSTITUTIONS

	[in thousands of dollars]		
	2014	2015	2016
Pell grants	40,865	41,185	41,880
Work-study	46,877	47,598	47,598
Supplemental educational opportunity grants	14,386	14,386	14,386
Perkins loans	50,977	50,977	30,934

STUDENT FINANCIAL ASSISTANCE

(Legislative proposal, subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 091–0200–4–1–502	2014 actual	2015 est.	2016 est.
Budgetary resources:			
Budget authority:			
Appropriations, mandatory:			
1200 Appropriation			–60
1260 Appropriations, mandatory (total)			–60
1930 Total budgetary resources available			–60
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year			–60
Change in obligated balance:			
Unpaid obligations:			
3020 Outlays (gross)			16
3050 Unpaid obligations, end of year			16
Memorandum (non-add) entries:			
3200 Obligated balance, end of year			16
Budget authority and outlays, net:			
Mandatory:			
4090 Budget authority, gross			–60

Outlays, gross:			
4100 Outlays from new mandatory authority			–16
4180 Budget authority, net (total)			–60
4190 Outlays, net (total)			–16

STUDENT AID ADMINISTRATION

For Federal administrative expenses to carry out part D of title I, and subparts 1, 3, [9, and 10] and 9 of part A, and parts B, C, D, and E of title IV of the HEA, and subpart 1 of part A of title VII of the Public Health Service Act, **[\$1,396,924,000]** \$1,581,854,000, to remain available through September 30, [2016] 2017. (Department of Education Appropriations Act, 2015.)

Program and Financing (in millions of dollars)

Identification code 091–0202–0–1–502	2014 actual	2015 est.	2016 est.
Obligations by program activity:			
0001 Student aid administration	837	716	727
0002 Discretionary servicing activities	565	681	855
0900 Total new obligations	1,402	1,397	1,582
Budgetary resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	55	57	57
1001 Discretionary unobligated balance brought fwd, Oct 1	55		
1021 Recoveries of prior year unpaid obligations	11		
1050 Unobligated balance (total)	66	57	57
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	1,166	1,397	1,582
1121 Appropriations transferred from other acct [075–0340]	1		
1160 Appropriation, discretionary (total)	1,167	1,397	1,582
Appropriations, mandatory:			
1200 Appropriation	258		
1230 Appropriations and/or unobligated balance of appropriations permanently reduced	–31		
1260 Appropriations, mandatory (total)	227		
1900 Budget authority (total)	1,394	1,397	1,582
1930 Total budgetary resources available	1,460	1,454	1,639
Memorandum (non-add) entries:			
1940 Unobligated balance expiring	–1		
1941 Unexpired unobligated balance, end of year	57	57	57
Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	604	640	793
3010 Obligations incurred, unexpired accounts	1,402	1,397	1,582
3020 Outlays (gross)	–1,328	–1,244	–1,438
3040 Recoveries of prior year unpaid obligations, unexpired	–11		
3041 Recoveries of prior year unpaid obligations, expired	–27		
3050 Unpaid obligations, end of year	640	793	937
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	604	640	793
3200 Obligated balance, end of year	640	793	937
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	1,167	1,397	1,582
Outlays, gross:			
4010 Outlays from new discretionary authority	564	763	853
4011 Outlays from discretionary balances	439	469	582
4020 Outlays, gross (total)	1,003	1,232	1,435
Mandatory:			
4090 Budget authority, gross	227		
Outlays, gross:			
4100 Outlays from new mandatory authority	216		
4101 Outlays from mandatory balances	109	12	3
4110 Outlays, gross (total)	325	12	3
4180 Budget authority, net (total)	1,394	1,397	1,582
4190 Outlays, net (total)	1,328	1,244	1,438

The Department of Education manages Federal student aid programs that will provide nearly \$148 billion in new Federal student aid grants and loans to 13.2 million students and parents in 2016. The Offices of Postsecondary Education, the Under Secretary and Federal Student Aid (FSA) are primarily

responsible for administering the Federal student financial assistance programs. 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.

Student Aid Administration

The 2016 Budget includes \$727 million for student aid administration activities and \$855 million for loan servicing activities, for a total of \$1.582 billion in discretionary budget authority. Administrative functions supported by these discretionary funds include: processing student aid applications; providing and tracking aid awards to students, parents, and schools; servicing the Department's loan portfolio; promoting efforts to reach key student populations; and simplifying the student aid application.

Servicing costs are largely determined by volume (borrower accounts per month) and the negotiated contractual per-borrower price for each type of loan status (such as in-school, repayment, deferment, and forbearance). Changes in the distribution of borrowers in each loan status affect the total overall cost for servicing since servicers are paid more for in-repayment borrowers than for in-school borrowers and less for borrowers who are delinquent than those who are current. The servicing contracts' incentive-based pricing and the contracts' performance metrics are designed to encourage high-quality customer service and help borrowers stay current. Servicing costs in 2016 have increased over past years and will continue to do so, as the Direct Loan program's total borrowers continue to increase and as the portfolio matures with more borrowers moving from in-school to in-repayment.

Object Classification (in millions of dollars)

Identification code 091-0202-0-1-502	2014 actual	2015 est.	2016 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	138	146	148
11.3 Other than full-time permanent	1		
11.5 Other personnel compensation	2	2	2
11.9 Total personnel compensation	141	148	150
12.1 Civilian personnel benefits	41	45	46
21.0 Travel and transportation of persons	2	3	3
23.1 Rental payments to GSA	19	19	19
23.3 Communications, utilities, and miscellaneous charges	1		
24.0 Printing and reproduction	1	2	2
25.1 Advisory and assistance services	5	3	3
25.2 Other services from non-Federal sources	818	742	933
25.3 Other goods and services from Federal sources	22	19	22
25.7 Operation and maintenance of equipment	351	416	404
99.0 Direct obligations	1,401	1,397	1,582
99.5 Below reporting threshold	1		
99.9 Total new obligations	1,402	1,397	1,582

Employment Summary

Identification code 091-0202-0-1-502	2014 actual	2015 est.	2016 est.
1001 Direct civilian full-time equivalent employment	1,320	1,350	1,350

TEACH GRANT PROGRAM ACCOUNT

Program and Financing (in millions of dollars)

Identification code 091-0206-0-1-502	2014 actual	2015 est.	2016 est.
Obligations by program activity:			
Credit program obligations:			
0701 Direct loan subsidy	14	14	12
0705 Reestimates of direct loan subsidy	4		
0900 Total new obligations (object class 41.0)	18	14	12
Budgetary resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1		1	1

Budget authority:			
Appropriations, mandatory:			
1200 Appropriation (indefinite) - Loan subsidy	15	14	12
1200 Appropriation (indefinite) - Upward reestimate	4		
1260 Appropriations, mandatory (total)	19	14	12
1930 Total budgetary resources available	19	15	13
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	1	1	1

Change in obligated balance:

Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	4	5	2
3010 Obligations incurred, unexpired accounts	18	14	12
3020 Outlays (gross)	-16	-13	-13
3041 Recoveries of prior year unpaid obligations, expired	-1	-4	
3050 Unpaid obligations, end of year	5	2	1
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	4	5	2
3200 Obligated balance, end of year	5	2	1

Budget authority and outlays, net:

Mandatory:			
4090 Budget authority, gross	19	14	12
Outlays, gross:			
4100 Outlays from new mandatory authority	13	9	8
4101 Outlays from mandatory balances	3	4	5
4110 Outlays, gross (total)	16	13	13
4180 Budget authority, net (total)	19	14	12
4190 Outlays, net (total)	16	13	13

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

Identification code 091-0206-0-1-502	2014 actual	2015 est.	2016 est.
Direct loan levels supportable by subsidy budget authority:			
115001 TEACH Grants	106	86	101
Direct loan subsidy (in percent):			
132001 TEACH Grants	13.75	16.57	11.64
132999 Weighted average subsidy rate	13.75	16.57	11.64
Direct loan subsidy budget authority:			
133001 TEACH Grants	15	14	12
Direct loan subsidy outlays:			
134001 TEACH Grants	12	13	12
Direct loan reestimates:			
135001 TEACH Grants	-9	-31	

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 four years within eight years of graduation. 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.

TEACH GRANT FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 091-4290-0-3-502	2014 actual	2015 est.	2016 est.
Obligations by program activity:			
Credit program obligations:			
0710 Direct loan obligations	105	86	101
0713 Payment of interest to Treasury	18	28	33

TEACH GRANT FINANCING ACCOUNT—Continued
Program and Financing—Continued

Identification code 091-4290-0-3-502	2014 actual	2015 est.	2016 est.
0742 Downward reestimate paid to receipt account	13	28	.....
0743 Interest on downward reestimates	1	4	.....
0900 Total new obligations	137	146	134
Budgetary resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	1	1	.....
1021 Recoveries of prior year unpaid obligations	20	5	6
1023 Unobligated balances applied to repay debt	-13	.....	.....
1024 Unobligated balance of borrowing authority withdrawn	-8	-5	-6
1050 Unobligated balance (total) .....	.....	1	.....
Financing authority:			
Borrowing authority, mandatory:			
1400 Borrowing authority	108	129	123
1440 Borrowing authority, mandatory (total)	108	129	123
Spending authority from offsetting collections, mandatory:			
1800 Collected	45	31	35
1801 Change in uncollected payments, Federal sources	1	4	3
1825 Spending authority from offsetting collections applied to repay debt	-16	-19	-27
1850 Spending auth from offsetting collections, mand (total)	30	16	11
1900 Financing authority (total)	138	145	134
1930 Total budgetary resources available	138	146	134
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	1	.....	.....
Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	75	64	46
3010 Obligations incurred, unexpired accounts	137	146	134
3020 Financing disbursements (gross)	-128	-159	-164
3040 Recoveries of prior year unpaid obligations, unexpired	-20	-5	-6
3050 Unpaid obligations, end of year	64	46	10
Uncollected payments:			
3060 Uncollected pymts, Fed sources, brought forward, Oct 1	-3	-4	-8
3070 Change in uncollected pymts, Fed sources, unexpired	-1	-4	-3
3090 Uncollected pymts, Fed sources, end of year	-4	-8	-11
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	72	60	38
3200 Obligated balance, end of year	60	38	-1
Financing authority and disbursements, net:			
Mandatory:			
4090 Financing authority, gross	138	145	134
Financing disbursements:			
4110 Financing disbursements, gross	128	159	164
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4120 Upward Reestimate	-16	.....	.....
4120 Subsidy from Program Account .....	.....	-13	-12
4122 Interest on uninvested funds	-2	.....	.....
4123 Payment of Principal	-27	-11	-15
4123 Interest Received .....	.....	-7	-8
4130 Offsets against gross financing auth and disbursements (total)	-45	-31	-35
Additional offsets against financing authority only (total):			
4140 Change in uncollected pymts, Fed sources, unexpired	-1	-4	-3
4160 Financing authority, net (mandatory)	92	110	96
4170 Financing disbursements, net (mandatory)	83	128	129
4180 Financing authority, net (total)	92	110	96
4190 Financing disbursements, net (total)	83	128	129

Status of Direct Loans (in millions of dollars)

Identification code 091-4290-0-3-502	2014 actual	2015 est.	2016 est.
Position with respect to appropriations act limitation on obligations:			
1111 Direct loan obligations from current-year authority	105	86	101
1150 Total direct loan obligations	105	86	101
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	501	580	654
1231 Disbursements: Direct loan disbursements	106	85	90

1251 Repayments: Repayments and prepayments	-27	-11	-15
1290 Outstanding, end of year	580	654	729

Balance Sheet (in millions of dollars)

Identification code 091-4290-0-3-502	2013 actual	2014 actual
ASSETS:		
1101 Federal assets: Fund balances with Treasury	32	20
Net value of assets related to post-1991 direct loans receivable:		
1401 Direct loans receivable, gross	501	580
1402 Interest receivable	58	75
1405 Allowance for subsidy cost (-)	-106	-120
1499 Net present value of assets related to direct loans	453	535
1999 Total assets	485	555
LIABILITIES:		
Federal liabilities:		
2101 Accounts payable	1	.....
2103 Debt	484	555
2999 Total liabilities	485	555
4999 Total liabilities and net position	485	555

STUDENT FINANCIAL ASSISTANCE DEBT COLLECTION

Special and Trust Fund Receipts (in millions of dollars)

Identification code 091-5557-0-2-502	2014 actual	2015 est.	2016 est.
0100 Balance, start of year	1	1	1
Receipts:			
0220 Student Financial Assistance Debt Collection	11	13	13
0400 Total: Balances and collections	12	14	14
Appropriations:			
0500 Student Financial Assistance Debt Collection	-11	-13	-13
0501 Student Financial Assistance Debt Collection	-1	.....	.....
0502 Student Financial Assistance Debt Collection	1	.....	.....
0599 Total appropriations	-11	-13	-13
0799 Balance, end of year	1	1	1

Program and Financing (in millions of dollars)

Identification code 091-5557-0-2-502	2014 actual	2015 est.	2016 est.
Obligations by program activity:			
0001 Student Financial Assistance Debt Collection	4	4	4
0900 Total new obligations (object class 25.2)	4	4	4
Budgetary resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	13	11	13
1022 Capital transfer of unobligated balances to general fund	-8	-7	-8
1050 Unobligated balance (total)	5	4	5
Budget authority:			
Appropriations, mandatory:			
1201 Appropriation (special or trust fund)	11	13	13
1203 Appropriation (previously unavailable)	1	.....	.....
1232 Appropriations and/or unobligated balance of appropriations temporarily reduced	-1	.....	.....
1235 Capital transfer of appropriations to general fund	-1	.....	.....
1260 Appropriations, mandatory (total)	10	13	13
1930 Total budgetary resources available	15	17	18
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	11	13	14

Change in obligated balance:

Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	3	4	4
3010 Obligations incurred, unexpired accounts	4	4	4
3020 Outlays (gross)	-3	-4	-4
3050 Unpaid obligations, end of year	4	4	4
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	3	4	4
3200 Obligated balance, end of year	4	4	4

Budget authority and outlays, net:

Mandatory:				
4090	Budget authority, gross	10	13	13
Outlays, gross:				
4101	Outlays from mandatory balances	3	4	4
4180	Budget authority, net (total)	10	13	13
4190	Outlays, net (total)	3	4	4

FEDERAL STUDENT LOAN RESERVE FUND

Program and Financing (in millions of dollars)

Identification code 091-4257-0-3-502		2014 actual	2015 est.	2016 est.
Obligations by program activity:				
0102	Obligations, non-Federal	10,943	9,608	6,143
0900	Total new obligations (object class 42.0)	10,943	9,608	6,143
Budgetary resources:				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1	1,482	1,471	1,347
Budget authority:				
Spending authority from offsetting collections, mandatory:				
1800	Collected	10,932	9,484	6,143
1850	Spending auth from offsetting collections, mand (total)	10,932	9,484	6,143
1930	Total budgetary resources available	12,414	10,955	7,490
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year	1,471	1,347	1,347

Change in obligated balance:

Unpaid obligations:				
3010	Obligations incurred, unexpired accounts	10,943	9,608	6,143
3020	Outlays (gross)	-10,943	-9,608	-6,143

Budget authority and outlays, net:

Mandatory:				
4090	Budget authority, gross	10,932	9,484	6,143
Outlays, gross:				
4100	Outlays from new mandatory authority	10,749	9,441	6,035
4101	Outlays from mandatory balances	194	167	108
4110	Outlays, gross (total)	10,943	9,608	6,143
Offsets against gross budget authority and outlays:				
Offsetting collections (collected) from:				
4120	Federal sources	-10,749	-9,441	-6,035
4123	Non-Federal sources	-183	-43	-108
4130	Offsets against gross budget authority and outlays (total)	-10,932	-9,484	-6,143
4170	Outlays, net (mandatory)	11	124	.....
4190	Outlays, net (total)	11	124	.....

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 091-4257-0-3-502		2013 actual	2014 actual
ASSETS:			
1101	Federal assets: Fund balances with Treasury	1,482	1,471
1999	Total assets	1,482	1,471
NET POSITION:			
3300	Cumulative results of operations	1,482	1,471
4999	Total liabilities and net position	1,482	1,471

FEDERAL DIRECT STUDENT LOAN PROGRAM ACCOUNT

Program and Financing (in millions of dollars)

Identification code 091-0243-0-1-502		2014 actual	2015 est.	2016 est.
Obligations by program activity:				
Credit program obligations:				
0703	Subsidy for modifications of direct loans .....	.....	9,307	.....
0705	Reestimates of direct loan subsidy	14,693	19,224	.....
0706	Interest on reestimates of direct loan subsidy	1,561	2,853	.....
0900	Total new obligations (object class 41.0)	16,254	31,384	.....

Budgetary resources:

Budget authority:				
Appropriations, mandatory:				
1200	Appropriation (indefinite)	16,254	31,384	.....
1260	Appropriations, mandatory (total)	16,254	31,384	.....
1900	Budget authority (total)	16,254	31,384	.....
1930	Total budgetary resources available	16,254	31,384	.....

Change in obligated balance:

Unpaid obligations:				
3000	Unpaid obligations, brought forward, Oct 1	6	6	1
3010	Obligations incurred, unexpired accounts	16,254	31,384	.....
3020	Outlays (gross)	-16,254	-31,389	-1
3050	Unpaid obligations, end of year	6	1	.....
Memorandum (non-add) entries:				
3100	Obligated balance, start of year	6	6	1
3200	Obligated balance, end of year	6	1	.....

Budget authority and outlays, net:

Mandatory:				
4090	Budget authority, gross	16,254	31,384	.....
Outlays, gross:				
4100	Outlays from new mandatory authority	16,254	31,384	.....
4101	Outlays from mandatory balances .....	.....	5	1
4110	Outlays, gross (total)	16,254	31,389	1
4180	Budget authority, net (total)	16,254	31,384	.....
4190	Outlays, net (total)	16,254	31,389	1

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

Identification code 091-0243-0-1-502		2014 actual	2015 est.	2016 est.
Direct loan levels supportable by subsidy budget authority:				
115001	Stafford	29,789	29,885	30,579
115002	Unsubsidized Stafford	62,916	65,130	69,057
115003	PLUS	20,140	21,167	22,388
115004	Consolidation	35,814	26,750	27,991
115999	Total direct loan levels	148,659	142,932	150,015
Direct loan subsidy (in percent):				
132001	Stafford	-46	8.59	4.60
132002	Unsubsidized Stafford	-21.15	-12.34	-18.06
132003	PLUS	-37.06	-25.30	-29.23
132004	Consolidation	-4.47	19.90	17.45
132999	Weighted average subsidy rate	-15.14	-3.85	-8.48
Direct loan subsidy budget authority:				
133001	Stafford	-137	2,567	1,407
133002	Unsubsidized Stafford	-13,307	-8,037	-12,472
133003	PLUS	-7,464	-5,355	-6,544
133004	Consolidation	-1,601	5,323	4,884
133999	Total subsidy budget authority	-22,509	-5,502	-12,725
Direct loan subsidy outlays:				
134001	Stafford	-58	1,585	1,531
134002	Unsubsidized Stafford	-12,781	-8,276	-9,885
134003	PLUS	-7,646	-5,734	-5,812
134004	Consolidation	-1,606	5,251	4,855
134005	Federal Direct Student Loans .....	.....	9,307	.....
134999	Total subsidy outlays	-22,091	2,133	-9,311
Direct loan reestimates:				
135005	Federal Direct Student Loans	6,794	21,843	.....
135999	Total direct loan reestimates	6,794	21,843	.....
Administrative expense data:				
3580	Outlays from balances .....	.....	5	1

FEDERAL DIRECT STUDENT LOAN PROGRAM ACCOUNT—Continued

The Federal Government has two major student loan programs: the FFEL program and the William D. Ford Federal Direct Loan (Direct Loan) program. The Health Care and Education Reconciliation Act of 2010 eliminated the authorization to originate new FFEL loans; as of July 1, 2010, all the Direct Loan program originates all new loans. This narrative outlines the structure of these two programs 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 the end of June 2010, the FFEL program provided almost \$899 billion in loans to postsecondary students and their parents. Although no new FFEL loans will be originated, billions of outstanding FFEL loans continue to be serviced by lenders and guaranty agencies.

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 Bipartisan Budget Act of 2013 eliminated the guaranty agencies' current retention share of the original defaulted student loan amount, and reduced the maximum fee they can charge a borrower on the borrower's outstanding balance from 18.5 to 16 percent. Additionally, the Act required these agencies to send the rehabilitated loans to the Department of Education if they cannot find a private lender buyer, but maintained their right to the 16 percent collection fee. The Government also pays interest subsidies to lenders for certain borrowers, as well as most costs associated with loan defaults and other write-offs. For loans originated in the FFEL program, lenders may receive an interest subsidy, 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, are determined quarterly, and are based on current borrower interest rates and market-yield formulas. The guarantee percentage paid to lenders on most defaults is 97 percent of unpaid loan principal (including any accrued interest on the full loan principal). The Consolidated Appropriations Act, 2012, gave holders of Federal student loans the option to change the basis for the special allowance calculation from commercial paper to the London Interbank Offered Rate (LIBOR), beginning April 1, 2012.

Under the Direct Loan program, the Federal Government provides loan capital through the Treasury while the Department of Education 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. In 2016, excluding Consolidation Loans, the Direct Loan program will make \$109.2 billion in new loans available. (This figure also does not include the current Perkins program nor the Budget's proposed new Perkins program.)

The Direct Loan program offers four types of loans: Subsidized Stafford, Unsubsidized Stafford, PLUS, and Consolidation. Undergraduates with financial need may receive a subsidized Stafford loan (graduate and professional students are not eligible). The other three loan programs are available to borrowers at all income levels. Loans can be used for qualified educational expenses. The Bipartisan Student Loan Certainty Act of 2013 changed how student loan interest rates are set. The rates are set annually based on the 10-year Treasury note but those rates will remain fixed for the life of the loan. For Subsidized Stafford loans available to undergraduates, the interest rate will be equal to the 10-year Treasury note plus 2.05 percent and capped at 8.25 percent. Loans originated in academic year 2014–2015 have an interest rate of 4.66 percent. Interest payments for these loans are fully subsidized by the Federal Government while a student is in school (up to 150 percent of program length) and during grace and deferment periods. The interest rate on new Unsubsidized Stafford loans for under-

graduate borrowers is the same as that on subsidized Stafford loans for undergraduates. The Unsubsidized Stafford loan interest rate for graduate and professional students is equal to the 10-year Treasury note plus 3.6 percent and capped at 9.5 percent. Loans originated in academic year 2014–2015 have an interest rate of 6.21 percent. The borrower interest rate on PLUS loans to graduate and professional students and parents of undergraduate borrowers is equal to the 10-year Treasury note plus 4.6 percent and capped at 10.5 percent. PLUS loans originated in academic year 2014–2015 have an interest rate of 7.21 percent.

Consolidation loans allow borrowers to combine FFEL, Direct Loans, and Perkins Loans, as well as some loans made under the Public Health Service Act. The interest rate for new Consolidation loans equals the weighted average of the interest rate on the loans consolidated, rounded up to the nearest one-eighth of a percent. For most types of Direct Loans, the origination fee is a base rate of one percent, but an additional surcharge for sequestration was added in 2013, 2014, and in 2015. The base origination fee for PLUS loans is four percent, but is also subject to an additional surcharge in 2013, 2014, and in 2015.

Student borrowers may choose from four general types of repayment plans: standard, graduated, extended, and income-driven. The repayment period is 10 years for the standard, graduated, and income sensitive repayment plans; 20 years for the Pay As You Earn (PAYE) plan; and 25 years for the extended, income-based, and income-contingent repayment plans. The extended repayment plan is available for borrowers with outstanding loans totaling more than \$30,000. Income-driven plans generally require partial financial hardship in order to qualify for reduced payments and the monthly payment is capped at the monthly payment of the 10-year Standard plan. At the end of the repayment term, the borrower's remaining balance is forgiven. FFEL borrowers may change repayment plans annually. Direct Loan borrowers may switch between repayment plans at any time.

Federal student loans have other benefits. For example, Federal student loans can be discharged when borrowers die, become totally and permanently disabled, or, under some circumstances, declare bankruptcy. In addition, there are several loan forgiveness programs. For example, 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 the Public Sector Loan Forgiveness Program (PSLF), qualifying borrowers who have worked for 10 years in the public sector and made payments in the standard or income-driven plans can 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. Forgiveness is available for all borrowers, regardless of when they took out their loans.

The 2016 Budget would reform the PAYE terms to ensure that program benefits are targeted to the neediest borrowers and safeguard the program for the future, including by protecting against institutional practices that may further increase student indebtedness. In addition, to simplify borrowers' experience while reducing program complexity, PAYE would become the only income-driven repayment plan for borrowers who originate their first loan on or after July 1, 2016, which would allow for easier selection of a repayment plan. Students who borrowed their first loans prior to July 1, 2016, would continue to be able to select among the existing repayment plans (for plans for which they now qualify and for loans originated through their current course of study), in addition to the modified PAYE. The Budget proposes additional changes to PAYE to include: eliminating the standard payment cap under PAYE so that high-income, high-balance borrowers pay an equitable share of their earnings as their income rises; calculating payments for married borrowers filing separately on the combined household Adjusted Gross Income; establishing a 25-year forgiveness period for borrowers with balances above the aggregate loan limit for independent undergraduate students; capping the amount of interest that can

accrue when a borrower's monthly payment is insufficient to cover the interest to avoid ballooning loan balances; capping PSLF at the aggregate loan limit for independent undergraduate students to protect against institutional practices that may further increase student indebtedness, while ensuring the program provides sufficient relief for students committed to public service and; preventing payments made under non-income driven repayment plans from being applied toward PSLF to ensure that loan forgiveness is targeted to students with the greatest need.

Savings from this proposal would be reinvested in student aid spending, specifically to extend CPI indexing of the Pell Grant beyond 2017.

The following tables display performance indicators and program data; including projected overall Direct Loan and FFEL costs default rates.

Federal Budget Authority and Outlays

	(in thousands of dollars)		
	2014 actual	2015 est.	2016 est.
PROGRAM COST:			
FFEL:			
Liquidating ¹	(\$138,840)	(\$205,977)	(\$175,859)
Program:			
Net Reestimate of Prior Year Costs	(1,655,679)	(3,293,567)	0
Net Modification ²	(4,020,363)	0	0
Subtotal, Program	(5,676,042)	(3,293,567)	0
Total, FFEL	(5,814,882)	(3,499,544)	(175,859)
Direct Loans:			
Program:			
New Loan Subsidies	(22,508,729)	(5,501,826)	(13,207,675)
Net Reestimate of Prior Year Costs	6,793,632	21,872,075	0
Net Modification ³	0	9,307,220	(804,088)
Total, Direct Loans	(15,715,097)	25,647,469	(14,011,763)
Total, FFEL and Direct Loans	(21,529,979)	22,147,925	(14,187,622)
PROGRAM COST OUTLAYS:			
FFEL:			
Liquidating ¹	(258,370)	(205,977)	(175,859)
Program:			
Net Reestimate of Prior Year Costs	(1,655,679)	(3,293,567)	0
Net Modification ²	(4,020,363)	0	0
Subtotal, Program	(5,676,042)	(3,293,567)	0
Total, FFEL	(5,934,413)	(3,499,544)	(175,859)
Direct Loans:			
Program:			
Regular	(22,090,527)	(7,173,877)	(9,649,727)
Net Reestimate of Prior Year Costs	6,793,632	21,842,075	0
Net Modification ³	0	9,307,220	(804,088)
Total, Direct Loans	(15,296,895)	23,975,418	(10,453,814)
Total, FFEL and Direct Loans	(21,231,308)	20,475,874	(10,629,237)

Details may not sum to totals due to rounding.

¹Liquidating account reflects loans made prior to 1992.

²Reflects the cost or savings associated with policy changes passed in the Bipartisan Budget Act of 2013.

³Reflects the cost or savings associated with policy changes proposed in the 2015 President's Budget.

Summary of Default Rates¹

	(expressed as percentages)		
	2014 est.	2015 est.	2016 est.
Direct Loans:			
Stafford	22.46	22.26	22.28
Unsubsidized Stafford			
Undergraduate	23.03	22.80	22.82
Graduate/Professional	6.73	6.71	6.71
PLUS			
Parent PLUS	10.23	10.06	10.03
Grad PLUS	6.06	6.05	6.05
Consolidation	20.71	22.80	22.56
Weighted Average, Direct Loans	16.90	16.84	16.71

¹Default 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 3 years of repayment to determine institutional eligibility to participate in Federal loan programs. These 3-year rates are lower than those included in this table.

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 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, which are reflected in credit reform subsidy estimates.

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)		
	2014 actual	2015 est.	2016 est.
FFEL:			
Payments to lenders:			
Interest benefits	\$1,055,786	\$400,218	\$285,201
Special allowance payments ¹	(4,771,634)	(3,295,873)	(1,533,390)
Default claims	9,508,811	7,697,237	4,928,556
Loan discharges	1,957,818	1,114,176	1,141,864
Teacher loan forgiveness	130,336	134,065	82,052
Administrative payments to guaranty agencies	168,368	177,721	160,458
Fees paid to the Department of Education:			
Loan holder fees	(1,817,847)	(1,117,885)	(942,171)
Other Major Transactions:			
Net default collections	(9,022,641)	(9,600,654)	(9,176,355)
Contract collection costs	(312,671)	(256,489)	(202,538)
Federal administrative costs	55,378	34,059	34,208
Net Cash Flow, FFEL	(3,048,297)	(4,713,426)	(5,222,115)
Ensuring Continued Access to Student Loans (ECASLA):			
Inflows	(11,217,597)	(10,741,923)	(11,034,072)
Outflows	10,913,863	10,671,709	10,587,896
Federal administrative costs	150,313	115,800	145,386
Net Cash Flow, ECASLA	(153,422)	45,586	(300,790)
Direct Loans:			
Loan disbursements to borrowers	134,051,561	129,050,799	135,386,968
Borrower interest payments	(10,038,665)	(13,496,121)	(15,762,301)
Borrower principal payments	(35,105,671)	(37,795,694)	(44,930,601)
Borrower origination fees	(1,622,512)	(1,732,333)	(1,738,541)
Net default collections	(2,009,663)	(6,043,010)	(7,512,583)
Contract collection costs	957,910	995,423	1,115,402
Federal administrative costs	585,429	531,320	675,617
Net operating cash flows	86,818,388	71,510,384	67,233,961
Loan capital borrowings from Treasury	(134,051,561)	(129,050,799)	(135,386,968)
Net interest payments to Treasury	21,482,514	25,152,484	34,015,924
Principal payments to Treasury	38,671,509	56,305,118	31,166,236
Subtotal, Treasury activity	(73,897,539)	(47,593,197)	(70,204,808)
Net Cash Flow, Direct Loans	12,920,849	23,917,186	(2,970,848)

¹Includes Negative Special Allowance Payments.

Student Loan Program Costs: Analysis of Direct Loans including Program and Administrative Expenses

	(expressed as percentages)		
	2014 actual	2015 est.	2016 est.
Direct Loans:			
New Loans:			
Stafford	1.39	8.59	4.33
Unsubsidized Stafford			
Undergraduate	-11.86	-5.33	-11.81
Graduate/Professional	-25.55	-19.23	-24.86
PLUS			
Parent PLUS	-25.66	-19.91	-22.75
Grad PLUS	-39.47	-32.33	-38.03
Subtotal, new loan subsidy	-15.55	-9.21	-14.65
Federal administrative costs	1.70	1.70	1.70
Subtotal, new loans	-13.85	-7.51	-12.95
Consolidation Loans			
Loan subsidy	15.87	19.90	17.10

FEDERAL DIRECT STUDENT LOAN PROGRAM ACCOUNT—Continued
Student Loan Program Costs: Analysis of Direct Loans including Program and Administrative Expenses—Continued

	2014 actual	2015 est.	2016 est.
Federal administrative costs	0.38	0.38	0.38
Subtotal, consolidation loans	16.25	20.28	17.48
New and Consolidation Loans			
Loan subsidy	-8.18	-4.02	-8.73
Federal administrative costs	1.45	1.45	1.45
Total, Direct Loans	-6.73	-2.57	-7.28

Totals may not add due to rounding. Subsidies are weighted on Gross Volumes.
Notes: For 2014, the rates are current; these include the actual executed rates for 2014 and the effect of re-estimates on those rates.

The table above describes 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. 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.

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

(in billions of dollars)

	FFEL	Direct Loans
Original Subsidy Costs	+\$77.1	-\$99.1
Cumulative Reestimates	-\$51.6	+\$26.3
Net Subsidy Costs	+\$25.5	-\$72.8
Total Disbursements	+\$898.7	+\$931.2

Changes in interest rate projections are a significant factor in FFEL and Direct Loan reestimates; recent declines in interest rates below historical averages have been a major driver in changes to program costs. In addition, the number of borrowers enrolled in income-based repayment plans has begun to increase which reflects program costs.

Direct Loan Repayment Options

(expressed as percentages)

Subsidies by Repayment Option	2014 actual ¹	2015 est.	2016 est.
Stafford:			
Standard	-0.42	6.67	3.16
Extended	-1.87	6.73	-0.05
Graduated	-1.27	7.46	0.80
IDR ²	14.64	21.27	14.48
Unsubsidized Stafford:			
Standard	-24.87	-18.98	-24.01
Extended	-32.54	-24.09	-34.77
Graduated	-32.66	-23.94	-34.86
IDR	14.18	20.38	13.84
PLUS:			
Standard	-34.95	-29.91	-32.15
Extended	-51.48	-42.41	-50.83
Graduated	-53.07	-43.38	-52.41
IDR	7.51	16.27	9.13
Consolidated:			
Standard	-26.14	-16.43	-19.98
Extended	-31.10	-21.63	-25.26
Graduated	-30.34	-20.16	-24.14
IDR	32.45	33.79	31.28

Direct Loan Repayment Options

(gross volumes in millions of dollars)

Volumes by Repayment Option	2014 actual ¹	2015 est.	2016 est.
Stafford:			
Standard	\$23,006	\$22,989	\$23,523
Extended	273	273	280
Graduated	2,849	2,847	2,913
IDR ²	3,778	3,776	3,863
Unsubsidized Stafford:			
Standard	42,977	44,114	46,773

Extended	1,739	1,785	1,892
Graduated	6,927	7,110	7,539
IDR	11,809	12,121	12,852
PLUS:			
Standard	13,627	14,350	15,177
Extended	1,070	1,127	1,192
Graduated	2,405	2,533	2,679
IDR	2,999	3,158	3,340
Consolidated:			
Standard	6,980	5,247	5,477
Extended	861	640	672
Graduated	1,793	1,341	1,403
IDR	25,146	19,523	20,440

¹2014 rates are current; these include actual executed rates for 2014 and the effect of re-estimates on those rates.

²All income-driven plans are included in the IDR category

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 091-0243-4-1-502	2014 actual	2015 est.	2016 est.
Direct loan subsidy (in percent):			
132001 Stafford	0.00	0.00	-27
132002 Unsubsidized Stafford	0.00	0.00	-38
132003 PLUS	0.00	0.00	-18
132004 Consolidation	0.00	0.00	-35
132999 Weighted average subsidy rate	0.00	0.00	-32
Direct loan subsidy budget authority:			
133001 Stafford			-83
133002 Unsubsidized Stafford			-262
133003 PLUS			-40
133004 Consolidation			-98
133999 Total subsidy budget authority			-483
Direct loan subsidy outlays:			
134001 Stafford			-52
134002 Unsubsidized Stafford			-165
134003 PLUS			-25
134004 Consolidation			-97
134005 Federal Direct Student Loans			-804
134999 Total subsidy outlays			-1,143

FEDERAL DIRECT STUDENT LOAN PROGRAM FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 091-4253-0-3-502	2014 actual	2015 est.	2016 est.
Obligations by program activity:			
0301 Consolidation loans-Payment of Orig. Services	42	38	38
0401 Payment of contract collection costs	958	995	1,120
Credit program obligations:			
0710 Direct loan obligations	148,659	142,932	150,015
0713 Payment of interest to Treasury	25,152	34,016	37,645
0740 Negative subsidy obligations	22,509	5,502	12,725
0742 Downward reestimate paid to receipt account	8,956	168	
0743 Interest on downward reestimates	505	67	
0791 Direct program activities, subtotal	205,781	182,685	200,385
0900 Total new obligations	206,781	183,718	201,543
Budgetary resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	3,351	4,622	
1021 Recoveries of prior year unpaid obligations	25,397	27,936	30,730
1023 Unobligated balances applied to repay debt	-11,910	-4,622	-30,300
1024 Unobligated balance of borrowing authority withdrawn	-16,137	-27,936	-30,730
1050 Unobligated balance (total)	701		
Financing authority:			
Appropriations, mandatory:			
1200 Appropriation		904	
1260 Appropriations, mandatory (total)		904	
Borrowing authority, mandatory:			
1400 Borrowing authority	180,673	148,943	162,740
1440 Borrowing authority, mandatory (total)	180,673	148,943	162,740
Spending authority from offsetting collections, mandatory:			
1800 Collected	68,701	90,451	70,189

1820	Capital transfer of spending authority from offsetting collections to general fund	-275		
1825	Spending authority from offsetting collections applied to repay debt	-38,672	-56,305	-31,386
1850	Spending auth from offsetting collections, mand (total)	30,029	33,871	38,803
1900	Financing authority (total)	210,702	183,718	201,543
1930	Total budgetary resources available	211,403	183,718	201,543
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year	4,622		
Change in obligated balance:				
Unpaid obligations:				
3000	Unpaid obligations, brought forward, Oct 1	87,616	77,327	61,600
3010	Obligations incurred, unexpired accounts	206,781	183,718	201,543
3020	Financing disbursements (gross)	-191,673	-171,509	-183,501
3040	Recoveries of prior year unpaid obligations, unexpired	-25,397	-27,936	-30,730
3050	Unpaid obligations, end of year	77,327	61,600	48,912
Memorandum (non-add) entries:				
3100	Obligated balance, start of year	87,616	77,327	61,600
3200	Obligated balance, end of year	77,327	61,600	48,912
Financing authority and disbursements, net:				
Mandatory:				
4090	Financing authority, gross	210,702	183,718	201,543
Financing disbursements:				
4110	Financing disbursements, gross	191,673	171,509	183,501
Offsets against gross financing authority and disbursements:				
Offsetting collections (collected) from:				
4120	Upward reestimate	-14,693	-19,224	
4120	Upward reestimate, interest	-1,561	-2,853	
4120	Upward Modification		-9,307	
4122	Interest on uninvested funds	-3,670		
4123	Repayment of principal, Stafford	-9,222	-10,001	-11,680
4123	Interest received on loans, Stafford	-1,728	-2,116	-2,453
4123	Origination Fees, Stafford	-269	-281	-273
4123	Other fees, Stafford	-29		
4123	Repayment of principal, Unsubsidized Stafford	-14,088	-15,235	-19,369
4123	Interest received on loans, Unsubsidized Stafford	-3,268	-4,111	-5,218
4123	Origination Fees, Unsubsidized Stafford	-569	-607	-612
4123	Other fees, Unsubsidized Stafford	-25		
4123	Repayment of principal, PLUS	-6,328	-8,305	-10,183
4123	Interest received on loans, PLUS	-1,974	-3,169	-3,667
4123	Origination Fees, PLUS	-784	-845	-853
4123	Other fees, PLUS	-9		
4123	Payment of principal, Consolidation	-6,646	-10,298	-11,401
4123	Interest received on loans, Consolidation	-3,794	-4,099	-4,480
4123	Other fees, Consolidation	-44		
4130	Offsets against gross financing auth and disbursements (total)	-68,701	-90,451	-70,189
4160	Financing authority, net (mandatory)	142,001	93,267	131,354
4170	Financing disbursements, net (mandatory)	122,972	81,058	113,312
4180	Financing authority, net (total)	142,001	93,267	131,354
4190	Financing disbursements, net (total)	122,972	81,058	113,312

Status of Direct Loans (in millions of dollars)

Identification code 091-4253-0-3-502				
	2014 actual	2015 est.	2016 est.	
STAFFORD				
Position with respect to appropriations act limitation on obligations:				
1111	Direct loan obligations from current-year authority	29,789	29,885	30,579
1150	Total direct loan obligations	29,789	29,885	30,579
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year	152,712	172,747	188,981
1231	Disbursements: Direct loan disbursements	26,198	26,175	26,786
1251	Repayments: Repayments and prepayments	-9,222	-10,001	-11,680
1261	Adjustments: Capitalized interest	2,358	274	196
1264	Write-offs for default: Other adjustments, net (+ or -)	701	-214	-252
1290	Outstanding, end of year	172,747	188,981	204,031
UNSUBSIDIZED STAFFORD				
Position with respect to appropriations act limitation on obligations:				
1111	Direct loan obligations from current-year authority	62,916	65,130	69,057
1150	Total direct loan obligations	62,916	65,130	69,057
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year	203,781	248,674	296,799
1231	Disbursements: Direct loan disbursements	54,899	56,560	59,976
1251	Repayments: Repayments and prepayments	-14,088	-15,235	-19,369
1261	Adjustments: Capitalized interest	3,147	7,058	7,736

1264	Write-offs for default: Other adjustments, net (+ or -)	935	-258	-319
1290	Outstanding, end of year	248,674	296,799	344,823
PLUS				
Position with respect to appropriations act limitation on obligations:				
1111	Direct loan obligations from current-year authority	20,140	21,167	22,388
1150	Total direct loan obligations	20,140	21,167	22,388
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year	65,205	78,614	91,152
1231	Disbursements: Direct loan disbursements	18,430	19,689	20,824
1251	Repayments: Repayments and prepayments	-6,328	-8,305	-10,183
1261	Adjustments: Capitalized interest	1,007	1,279	1,387
1264	Write-offs for default: Other adjustments, net (+ or -)	300	-125	-144
1290	Outstanding, end of year	78,614	91,152	103,036
CONSOLIDATION				
Position with respect to appropriations act limitation on obligations:				
1111	Direct loan obligations from current-year authority	35,814	26,750	27,991
1150	Total direct loan obligations	35,814	26,750	27,991
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year	162,830	193,971	209,669
1231	Disbursements: Direct loan disbursements	34,524	26,626	27,801
1251	Repayments: Repayments and prepayments	-6,646	-10,298	-11,401
1261	Adjustments: Capitalized interest	2,514	7	5
1264	Write-offs for default: Other adjustments, net (+ or -)	749	-637	-699
1290	Outstanding, end of year	193,971	209,669	225,375

Balance Sheet (in millions of dollars)

Identification code 091-4253-0-3-502		2013 actual	2014 actual
ASSETS:			
Federal assets:			
1101	Fund balances with Treasury	23,771	21,445
Investments in US securities:			
1106	Receivables, net	1,129	22,443
1206	Non-Federal assets: Receivables, net	18	142
Net value of assets related to post-1991 direct loans receivable:			
1401	Direct loans receivable, gross	584,528	694,006
1402	Interest receivable	29,332	37,151
1405	Allowance for subsidy cost (-)	65,247	47,359
1499	Net present value of assets related to direct loans	679,107	778,516
1999	Total assets	704,025	822,546
LIABILITIES:			
Federal liabilities:			
2101	Accounts payable	2,109	128
2103	Debt	698,361	819,007
2201	Non-Federal liabilities: Accounts payable	3,555	3,411
2999	Total liabilities	704,025	822,546
4999	Total liabilities and net position	704,025	822,546

FEDERAL DIRECT STUDENT LOAN PROGRAM FINANCING ACCOUNT

(Legislative proposal, subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 091-4253-4-3-502			
	2014 actual	2015 est.	2016 est.
Obligations by program activity:			
0401	Payment of contract collection costs		-4
Credit program obligations:			
0713	Payment of interest to Treasury		23
0740	Negative subsidy obligations		483
0741	Modification savings		804
0791	Direct program activities, subtotal		1,310
0900	Total new obligations		1,306
Budgetary resources:			
Financing authority:			
Appropriations, mandatory:			
1200	Appropriation		44
1260	Appropriations, mandatory (total)		44
Borrowing authority, mandatory:			
1400	Borrowing authority		1,317

FEDERAL DIRECT STUDENT LOAN PROGRAM FINANCING ACCOUNT—Continued
Program and Financing—Continued

Identification code 091-4253-4-3-502	2014 actual	2015 est.	2016 est.
1440			1,317
Borrowing authority, mandatory (total)			
Spending authority from offsetting collections, mandatory:			
1800			-246
Collected			
1820			-29
Capital transfer of spending authority from offsetting collections to general fund			
1825			220
Spending authority from offsetting collections applied to repay debt			
1850			-55
Spending auth from offsetting collections, mand (total)			
1900			1,306
Financing authority (total)			
1930			1,306
Total budgetary resources available			
Change in obligated balance:			
Unpaid obligations:			
3010			1,306
Obligations incurred, unexpired accounts			
3020			-1,161
Outlays (gross)			
3050			145
Unpaid obligations, end of year			
Memorandum (non-add) entries:			
3200			145
Obligated balance, end of year			
Financing authority and disbursements, net:			
Mandatory:			
4090			1,306
Budget authority, gross			
Financing disbursements:			
4110			1,161
Financing disbursements, gross			
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4123			43
Repayment of principal, Stafford			
4123			9
Interest received on loans, Stafford			
4123			54
Repayment of principal, Unsubsidized Stafford			
4123			17
Interest received on loans, Unsubsidized Stafford			
4123			30
Repayment of principal, PLUS			
4123			10
Interest received on loans, PLUS			
4123			63
Payment of principal, Consolidation			
4123			20
Interest received on loans, Consolidation			
4130			246
Offsets against gross financing auth and disbursements (total)			
4160			1,552
Financing authority, net (mandatory)			
4170			1,407
Financing disbursements, net (mandatory)			
4180			1,552
Financing authority, net (total)			
4190			1,407
Financing disbursements, net (total)			

Status of Direct Loans (in millions of dollars)

Identification code 091-4253-4-3-502	2014 actual	2015 est.	2016 est.
STAFFORD			
Cumulative balance of direct loans outstanding:			
1210			
Outstanding, start of year			
1251			43
Repayments: Repayments and prepayments			
1264			1
Write-offs for default: Other adjustments, net (+ or -)			
1290			44
Outstanding, end of year			
UNSUBSIDIZED STAFFORD			
Cumulative balance of direct loans outstanding:			
1210			
Outstanding, start of year			
1251			54
Repayments: Repayments and prepayments			
1261			-10
Adjustments: Capitalized interest			
1264			1
Write-offs for default: Other adjustments, net (+ or -)			
1290			45
Outstanding, end of year			
PLUS			
Cumulative balance of direct loans outstanding:			
1210			
Outstanding, start of year			
1251			30
Repayments: Repayments and prepayments			
1261			-2
Adjustments: Capitalized interest			
1264			1
Write-offs for default: Other adjustments, net (+ or -)			
1290			29
Outstanding, end of year			
CONSOLIDATION			
Cumulative balance of direct loans outstanding:			
1210			
Outstanding, start of year			
1251			63
Repayments: Repayments and prepayments			
1264			3
Write-offs for default: Other adjustments, net (+ or -)			

1290 Outstanding, end of year 66

FEDERAL FAMILY EDUCATION LOAN PROGRAM ACCOUNT

Program and Financing (in millions of dollars)

Identification code 091-0231-0-1-502	2014 actual	2015 est.	2016 est.
Obligations by program activity:			
Credit program obligations:			
0705	730	265	
Reestimates of direct loan subsidy			
0706	103	43	
Interest on reestimates of direct loan subsidy			
0707	997	498	
Reestimates of loan guarantee subsidy			
0708	439	556	
Interest on reestimates of loan guarantee subsidy			
0900	2,269	1,362	
Total new obligations (object class 41.0)			
Budgetary resources:			
Budget authority:			
Appropriations, mandatory:			
1200	2,269	1,362	
Appropriation			
1260	2,269	1,362	
Appropriations, mandatory (total)			
1930	2,269	1,362	
Total budgetary resources available			
Change in obligated balance:			
Unpaid obligations:			
3010	2,269	1,362	
Obligations incurred, unexpired accounts			
3020	-2,269	-1,362	
Outlays (gross)			
Budget authority and outlays, net:			
Mandatory:			
4090	2,269	1,362	
Budget authority, gross			
Outlays, gross:			
4100	2,269	1,362	
Outlays from new mandatory authority			
4180	2,269	1,362	
Budget authority, net (total)			
4190	2,269	1,362	
Outlays, net (total)			

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

Identification code 091-0231-0-1-502	2014 actual	2015 est.	2016 est.
Direct loan reestimates:			
135010	-380	-1,517	
Direct Participation Agreement Reestimates			
135012	-553	-731	
Direct Standard Put Reestimates			
135020	-203		
FFB Conduit Liquidity Guarantee			
135999	-1,136	-2,248	
Total direct loan reestimates			
Guaranteed loan subsidy outlays:			
234006	-4,020		
FFEL Guarantees			
234999	-4,020		
Total subsidy outlays			
Guaranteed loan reestimates:			
235006	-521	-1,046	
FFEL Guarantees			
235999	-521	-1,046	
Total guaranteed loan reestimates			

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 of loans, 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 FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 091-4251-0-3-502	2014 actual	2015 est.	2016 est.
Obligations by program activity:			
0101	2,208	1,423	752
Default claims			
0102	22	21	27
Special allowance			
0103	557	266	185
Interest benefits			
0104	297	83	67
Death, disability, and bankruptcy claims			
0105	36	74	45
Teacher loan forgiveness, other write-offs			

0107	Contract collection costs	15	20	22
0110	Guaranty Agency account maintenance fees	25	23	19
0191	Subtotal, Stafford loans	3,160	1,910	1,117
0202	Default claims	2,366	1,450	781
0203	Special allowance	21	25	34
0204	Death, disability, and bankruptcy claims	452	86	69
0205	Teacher loan forgiveness, other write-offs	35	60	37
0207	Contract collection costs	11	13	15
0210	Guaranty Agency account maintenance fees	28	20	17
0291	Subtotal, Unsubsidized Stafford loans	2,913	1,654	953
0301	Default claims	276	181	124
0304	Death, disability, and bankruptcy claims	92	30	24
0307	Contract Collection Costs	2	2	2
0310	Guaranty Agency account maintenance fees	6	6	3
0391	Subtotal, PLUS loans	376	219	153
0403	Default claims	9		
0405	Death, disability, and bankruptcy claims	52		
0407	Contract collection costs		1	1
0491	Subtotal, SLS loans	61	1	1
0501	Default claims	4,599	4,601	3,237
0502	Special allowance		86	325
0503	Interest benefits	496	131	97
0504	Death, disability, and bankruptcy claims	1,046	899	967
0505	Teacher loan forgiveness, other write-offs	59		
0507	Contract collection costs	25	21	26
0510	Guaranty Agency account maintenance fees	109	129	122
0591	Subtotal, Consolidations loans	6,334	5,867	4,774
	Credit program obligations:			
0713	Payment of interest to Treasury	2,083	81	
0741	Modification savings	4,020		
0742	Downward reestimate paid to receipt account	1,100	1,367	
0743	Interest on downward reestimates	857	733	
0791	Direct program activities, subtotal	8,060	2,181	
0900	Total new obligations	20,904	11,832	6,998

Budgetary resources:				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1	7,176	4,422	7,478
1021	Recoveries of prior year unpaid obligations	603		
1050	Unobligated balance (total)	7,779	4,422	7,478
Financing authority:				
Appropriations, mandatory:				
1200	Appropriation	581		
1260	Appropriations, mandatory (total)	581		
1800	Spending authority from offsetting collections, mandatory: Collected	16,966	14,888	11,881
1850	Spending auth from offsetting collections, mand (total)	16,966	14,888	11,881
1900	Financing authority (total)	17,547	14,888	11,881
1930	Total budgetary resources available	25,326	19,310	19,359
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year	4,422	7,478	12,361

Change in obligated balance:				
Unpaid obligations:				
3000	Unpaid obligations, brought forward, Oct 1	1,800	1,966	1,967
3010	Obligations incurred, unexpired accounts	20,904	11,832	6,998
3020	Financing disbursements (gross)	-20,135	-11,831	-6,997
3040	Recoveries of prior year unpaid obligations, unexpired	-603		
3050	Unpaid obligations, end of year	1,966	1,967	1,968
Memorandum (non-add) entries:				
3100	Obligated balance, start of year	1,800	1,966	1,967
3200	Obligated balance, end of year	1,966	1,967	1,968

Financing authority and disbursements, net:				
Mandatory:				
4090	Financing authority, gross	17,547	14,888	11,881
Financing disbursements:				
4110	Financing disbursements, gross	20,135	11,831	6,997
Offsets against gross financing authority and disbursements: Offsetting collections (collected) from:				
4120	Upward reestimate	-997	-498	
4120	Interest on upward reestimate	-439	-556	
4122	Interest on uninvested funds	-240		-112
4123	Stafford recoveries on defaults	-2,454	-2,592	-2,341
4123	Stafford other fees	-100		
4123	Stafford special allowance rebate	-1,124	-705	-394
4123	Unsubsidized Stafford recoveries on default	-1,666	-2,388	-2,185
4123	Unsubsidized Stafford other fees	-68		
4123	Unsubsidized Stafford special allowance rebate	-1,374	-1,041	-626

4123	PLUS recoveries on defaults	-278	-255	-239
4123	PLUS other fees	-11		
4123	PLUS special allowance rebate	-470	-295	-163
4123	SLS recoveries on defaults	-17	-12	-10
4123	SLS other fees	-1		
4123	Consolidation recoveries on defaults	-3,902	-4,041	-4,133
4123	Consolidation loan holders fee	-1,818	-1,118	-942
4123	Consolidation other fees	-160		
4123	Consolidation special allowance rebate	-1,847	-1,387	-736
4130	Offsets against gross financing auth and disbursements (total)	-16,966	-14,888	-11,881
4160	Financing authority, net (mandatory)	581		
4170	Financing disbursements, net (mandatory)	3,169	-3,057	-4,884
4180	Financing authority, net (total)	581		
4190	Financing disbursements, net (total)	3,169	-3,057	-4,884

Status of Guaranteed Loans (in millions of dollars)

Identification code 091-4251-0-3-502		2014 actual	2015 est.	2016 est.
STAFFORD				
Cumulative balance of guaranteed loans outstanding:				
2210	Outstanding, start of year	39,804	34,741	29,369
2251	Repayments and prepayments	-3,151	-3,648	-2,940
Adjustments:				
2261	Terminations for default that result in loans receivable	-2,505	-1,568	-1,118
2263	Terminations for default that result in claim payments	-297	-83	-67
2264	Other adjustments, net	890	-73	-44
2290	Outstanding, end of year	34,741	29,369	25,200
Memorandum:				
2299	Guaranteed amount of guaranteed loans outstanding, end of year	33,004	27,901	23,940

Addendum:				
Cumulative balance of defaulted guaranteed loans that result in loans receivable:				
2310	Outstanding, start of year	6,749	6,734	5,474
2331	Disbursements for guaranteed loan claims	2,505	1,568	1,118
2351	Repayments of loans receivable	-2,034	-2,592	-2,341
2361	Write-offs of loans receivable	-297	-236	-175
2364	Other adjustments, net	-189		
2390	Outstanding, end of year	6,734	5,474	4,076

UNSUBSIDIZED STAFFORD				
Cumulative balance of guaranteed loans outstanding:				
2210	Outstanding, start of year	44,313	39,711	33,221
2251	Repayments and prepayments	-3,508	-4,729	-3,768
Adjustments:				
2261	Terminations for default that result in loans receivable	-2,818	-1,615	-897
2263	Terminations for default that result in claim payments	-452	-86	-69
2264	Other adjustments, net	2,176	-60	-37
2290	Outstanding, end of year	39,711	33,221	28,450

Memorandum:				
2299	Guaranteed amount of guaranteed loans outstanding, end of year	37,726	31,560	27,027

Addendum:				
Cumulative balance of defaulted guaranteed loans that result in loans receivable:				
2310	Outstanding, start of year	9,219	9,926	8,765
2331	Disbursements for guaranteed loan claims	2,818	1,615	897
2351	Repayments of loans receivable	-1,381	-2,388	-2,185
2361	Write-offs of loans receivable	-452	-388	-318
2364	Other adjustments, net	-278		
2390	Outstanding, end of year	9,926	8,765	7,159

PLUS				
Cumulative balance of guaranteed loans outstanding:				
2210	Outstanding, start of year	9,265	7,947	6,301
2251	Repayments and prepayments	-733	-1,417	-818
Adjustments:				
2261	Terminations for default that result in loans receivable	-368	-198	-175
2263	Terminations for default that result in claim payments	-92	-31	-25
2264	Other adjustments, net	-125		
2290	Outstanding, end of year	7,947	6,301	5,283
Memorandum:				
2299	Guaranteed amount of guaranteed loans outstanding, end of year	7,550	5,986	5,019

FEDERAL FAMILY EDUCATION LOAN PROGRAM FINANCING ACCOUNT—Continued
Status of Guaranteed Loans—Continued

Identification code 091-4251-0-3-502	2014 actual	2015 est.	2016 est.
Addendum:			
Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310 Outstanding, start of year	620	647	519
2331 Disbursements for guaranteed loan claims	368	198	175
2351 Repayments of loans receivable	-231	-255	-239
2361 Write-offs of loans receivable	-92	-71	-55
2364 Other adjustments, net	-18		
2390 Outstanding, end of year	647	519	400

SLS			
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	71	64	61
2251 Repayments and prepayments	-6	-1	-1
Adjustments:			
2261 Terminations for default that result in loans receivable	-62	-2	
2263 Terminations for default that result in claim payments	-52		
2264 Other adjustments, net	113		
2290 Outstanding, end of year	64	61	60

Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	61	58	57

Addendum:			
Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310 Outstanding, start of year	291	278	226
2331 Disbursements for guaranteed loan claims	62	2	
2351 Repayments of loans receivable	-14	-12	-10
2361 Write-offs of loans receivable	-52	-42	-33
2364 Other adjustments, net	-9		
2390 Outstanding, end of year	278	226	183

CONSOLIDATION			
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	169,933	158,546	142,026
2251 Repayments and prepayments	-13,451	-10,940	-10,006
Adjustments:			
2261 Terminations for default that result in loans receivable	-5,645	-4,681	-3,501
2263 Terminations for default that result in claim payments	-1,046	-899	-967
2264 Other adjustments, net	8,755		
2290 Outstanding, end of year	158,546	142,026	127,552

Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	150,619	134,925	121,174

Addendum:			
Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310 Outstanding, start of year	15,770	16,666	16,311
2331 Disbursements for guaranteed loan claims	5,645	4,681	3,501
2351 Repayments of loans receivable	-3,234	-4,041	-4,134
2361 Write-offs of loans receivable	-1,046	-995	-902
2364 Other adjustments, net	-469		
2390 Outstanding, end of year	16,666	16,311	14,776

Balance Sheet (in millions of dollars)

Identification code 091-4251-0-3-502	2013 actual	2014 actual
ASSETS:		
Federal assets:		
1101 Fund balances with Treasury	8,602	6,014
Investments in US securities:		
1106 Receivables, net	1,665	926
1206 Non-Federal assets: Receivables, net	49	66
Net value of assets related to post-1991 acquired defaulted guaranteed loans receivable:		
1501 Defaulted guaranteed loans receivable, gross	32,649	34,251
1502 Interest receivable	4,849	5,273
1505 Allowance for subsidy cost (-)	-2,354	-1,555
1599 Net present value of assets related to defaulted guaranteed loans	35,144	37,969
1999 Total assets	45,460	44,975

LIABILITIES:

Federal liabilities:		
2101 Accounts payable	2,135	1,484
2103 Debt	43,254	43,254
2201 Non-Federal liabilities: Accounts payable	71	237
2999 Total liabilities	45,460	44,975
4999 Total liabilities and net position	45,460	44,975

TEMPORARY STUDENT LOAN PURCHASE AUTHORITY FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 091-4453-0-3-502	2014 actual	2015 est.	2016 est.
Obligations by program activity:			
0006 Contract collection costs	72	181	166
Credit program obligations:			
0713 Payment of interest to Treasury	2,102	2,796	2,736
0742 Downward reestimate paid to receipt account	676	1,524	
0743 Interest on downward reestimates	114	301	
0791 Direct program activities, subtotal	2,892	4,621	2,736
0900 Total new obligations	2,964	4,802	2,902

Budgetary resources:

Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	165	257	257
1023 Unobligated balances applied to repay debt	-165		
1050 Unobligated balance (total)		257	257
Financing authority:			
Borrowing authority, mandatory:			
1400 Borrowing authority	790	1,825	
1440 Borrowing authority, mandatory (total)	790	1,825	
Spending authority from offsetting collections, mandatory:			
1800 Collected	6,771	6,450	6,308
1825 Spending authority from offsetting collections applied to repay debt	-4,340	-3,473	-3,407
1850 Spending auth from offsetting collections, mand (total)	2,431	2,977	2,901
1900 Financing authority (total)	3,221	4,802	2,901
1930 Total budgetary resources available	3,221	5,059	3,158
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	257	257	256

Change in obligated balance:

Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	688	691	691
3010 Obligations incurred, unexpired accounts	2,964	4,802	2,902
3020 Financing disbursements (gross)	-2,961	-4,802	-2,901
3050 Unpaid obligations, end of year	691	691	692
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	688	691	691
3200 Obligated balance, end of year	691	691	692

Financing authority and disbursements, net:

Mandatory:			
4090 Financing authority, gross	3,221	4,802	2,901
Financing disbursements:			
4110 Financing disbursements, gross	2,961	4,802	2,901
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4120 Upward reestimate	-364	-265	
4120 Upward reestimate interest	-46	-43	
4122 Interest on uninvested funds	-119		
4123 Principal repayments	-4,989	-4,653	-4,859
4123 Interest repayments	-1,235	-1,489	-1,449
4123 Fees and other refunds	-18		
4130 Offsets against gross financing auth and disbursements (total)	-6,771	-6,450	-6,308
4160 Financing authority, net (mandatory)	-3,550	-1,648	-3,407
4170 Financing disbursements, net (mandatory)	-3,810	-1,648	-3,407
4180 Financing authority, net (total)	-3,550	-1,648	-3,407
4190 Financing disbursements, net (total)	-3,810	-1,648	-3,407

Status of Direct Loans (in millions of dollars)

Identification code 091-4453-0-3-502	2014 actual	2015 est.	2016 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	56,041	52,782	48,368
1251 Repayments: Repayments and prepayments	-4,989	-4,653	-4,859
1261 Adjustments: Capitalized interest		349	199
1264 Write-offs for default: Other adjustments, net (+ or -)	1,730	-110	-120
1290 Outstanding, end of year	52,782	48,368	43,588

Balance Sheet (in millions of dollars)

Identification code 091-4453-0-3-502	2013 actual	2014 actual
ASSETS:		
Federal assets:		
1101 Fund balances with Treasury	853	947
Investments in US securities:		
1106 Receivables, net	410	352
Net value of assets related to post-1991 direct loans receivable:		
1401 Direct loans receivable, gross	56,041	52,782
1402 Interest receivable	3,298	3,358
1405 Allowance for subsidy cost (-)	8,208	8,373
1499 Net present value of assets related to direct loans	67,547	64,513
1999 Total assets	68,810	65,812
LIABILITIES:		
Federal liabilities:		
2101 Accounts payable	790	1,504
2103 Debt	68,017	64,302
2201 Non-Federal liabilities: Accounts payable	3	6
2999 Total liabilities	68,810	65,812
4999 Total liabilities and net position	68,810	65,812

STUDENT LOAN ACQUISITION ACCOUNT

Program and Financing (in millions of dollars)

Identification code 091-4449-0-3-502	2014 actual	2015 est.	2016 est.
Obligations by program activity:			
0005 Contract collection costs	51	110	101
Credit program obligations:			
0713 Payment of interest to Treasury	1,163	1,640	1,597
0742 Downward reestimate paid to receipt account	841	612	
0743 Interest on downward reestimates	134	120	
0791 Direct program activities, subtotal	2,138	2,372	1,597
0900 Total new obligations	2,189	2,482	1,698
Budgetary resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	367	478	
1023 Unobligated balances applied to repay debt	-367	-478	
Financing authority:			
Borrowing authority, mandatory:			
1400 Borrowing authority	976	731	
1440 Borrowing authority, mandatory (total)	976	731	
Spending authority from offsetting collections, mandatory:			
1800 Collected	4,627	3,766	3,921
1825 Spending authority from offsetting collections applied to repay debt	-2,936	-2,015	-2,223
1850 Spending auth from offsetting collections, mand (total)	1,691	1,751	1,698
1900 Financing authority (total)	2,667	2,482	1,698
1930 Total budgetary resources available	2,667	2,482	1,698
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	478		
Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	13	14	14
3010 Obligations incurred, unexpired accounts	2,189	2,482	1,698
3020 Financing disbursements (gross)	-2,188	-2,482	-1,698
3050 Unpaid obligations, end of year	14	14	14
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	13	14	14

3200	Obligated balance, end of year	14	14	14
Financing authority and disbursements, net:				
Mandatory:				
4090	Financing authority, gross	2,667	2,482	1,698
Financing disbursements:				
4110	Financing disbursements, gross	2,188	2,482	1,698
Offsets against gross financing authority and disbursements:				
Offsetting collections (collected) from:				
4120	Upward reestimate	-366		
4120	Upward reestimate interest	-57		
4122	Interest on uninvested funds	-64		
4123	Principal repayments	-3,324	-2,869	-3,046
4123	Borrower interest repayments	-803	-897	-875
4123	Fees and other refunds	-13		
4130	Offsets against gross financing auth and disbursements (total)	-4,627	-3,766	-3,921
4160	Financing authority, net (mandatory)	-1,960	-1,284	-2,223
4170	Financing disbursements, net (mandatory)	-2,439	-1,284	-2,223
4180	Financing authority, net (total)	-1,960	-1,284	-2,223
4190	Financing disbursements, net (total)	-2,439	-1,284	-2,223

Status of Direct Loans (in millions of dollars)

Identification code 091-4449-0-3-502	2014 actual	2015 est.	2016 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	31,899	29,401	26,704
1251 Repayments: Repayments and prepayments	-3,324	-2,869	-3,046
1261 Adjustments: Capitalized interest		244	140
1264 Write-offs for default: Other adjustments, net (+ or -)	826	-72	-77
1290 Outstanding, end of year	29,401	26,704	23,721

Balance Sheet (in millions of dollars)

Identification code 091-4449-0-3-502	2013 actual	2014 actual
ASSETS:		
Federal assets:		
1101 Fund balances with Treasury	210	322
Investments in US securities:		
1106 Receivables, net	423	
Net value of assets related to post-1991 direct loans receivable:		
1401 Direct loans receivable, gross	31,899	29,401
1402 Interest receivable	1,858	1,927
1405 Allowance for subsidy cost (-)	5,189	5,228
1499 Net present value of assets related to direct loans	38,946	36,556
1999 Total assets	39,579	36,878
LIABILITIES:		
Federal liabilities:		
2101 Accounts payable	976	601
2103 Debt	38,600	36,273
2201 Non-Federal liabilities: Accounts payable	3	4
2999 Total liabilities	39,579	36,878
4999 Total liabilities and net position	39,579	36,878

TEMPORARY STUDENT LOAN PURCHASE AUTHORITY CONDUIT FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 091-4459-0-3-502	2014 actual	2015 est.	2016 est.
Obligations by program activity:			
0003 Contract collection costs	40	37	28
Credit program obligations:			
0713 Payment of interest to Treasury	75	60	49
0742 Downward reestimate paid to receipt account	175		
0743 Interest on downward reestimates	28		
0791 Direct program activities, subtotal	278	60	49
0900 Total new obligations	318	97	77
Budgetary resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	13	11	
1021 Recoveries of prior year unpaid obligations	71,254		
1023 Unobligated balances applied to repay debt	-638	-11	

TEMPORARY STUDENT LOAN PURCHASE AUTHORITY CONDUIT FINANCING
ACCOUNT—Continued
Program and Financing—Continued

Identification code 091-4459-0-3-502	2014 actual	2015 est.	2016 est.
1024 Unobligated balance of borrowing authority withdrawn	-70,629		
Financing authority:			
Borrowing authority, mandatory:			
1400 Borrowing authority	203		
1440 Borrowing authority, mandatory (total)	203		
Spending authority from offsetting collections, mandatory:			
1800 Collected	261	456	359
1825 Spending authority from offsetting collections applied to repay debt	-135	-359	-282
1850 Spending auth from offsetting collections, mand (total)	126	97	77
1900 Budget authority (total)	329	97	77
1930 Total budgetary resources available	329	97	77
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	11		
Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	71,297	42	42
3010 Obligations incurred, unexpired accounts	318	97	77
3020 Financing disbursements (gross)	-319	-97	-77
3040 Recoveries of prior year unpaid obligations, unexpired	-71,254		
3050 Unpaid obligations, end of year	42	42	42
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	71,297	42	42
3200 Obligated balance, end of year	42	42	42
Financing authority and disbursements, net:			
Mandatory:			
4090 Financing authority, gross	329	97	77
Financing disbursements:			
4110 Financing disbursements, gross	319	97	77
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4122 Interest on uninvested funds	-14		
4123 Direct Conduit Fees	-9		
4123 Principal repayments	-180	-385	-304
4123 Interest repayments	-58	-71	-55
4130 Offsets against gross financing auth and disbursements (total)	-261	-456	-359
4160 Financing authority, net (mandatory)	68	-359	-282
4170 Financing disbursements, net (mandatory)	58	-359	-282
4180 Financing authority, net (total)	68	-359	-282
4190 Financing disbursements, net (total)	58	-359	-282

Status of Direct Loans (in millions of dollars)

Identification code 091-4459-0-3-502	2014 actual	2015 est.	2016 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	2,208	2,036	1,643
1232 Disbursements: Purchase of loans assets from the public	4		
1251 Repayments: Repayments and prepayments	-180	-385	-304
1264 Write-offs for default: Other adjustments, net (+ or -)	4	-8	-5
1290 Outstanding, end of year	2,036	1,643	1,334

Balance Sheet (in millions of dollars)

Identification code 091-4459-0-3-502	2013 actual	2014 actual
ASSETS:		
1101 Federal assets: Fund balances with Treasury	681	52
Net value of assets related to post-1991 direct loans receivable:		
1401 Direct loans receivable, gross	2,208	2,036
1402 Interest receivable	193	218
1405 Allowance for subsidy cost (-)	-537	-332
1499 Net present value of assets related to direct loans	1,864	1,922
1999 Total assets	2,545	1,974
LIABILITIES:		
2103 Federal liabilities: Debt	2,542	1,972
2201 Non-Federal liabilities: Accounts payable	3	2
2999 Total liabilities	2,545	1,974

4999 Total liabilities and net position	2,545	1,974
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FEDERAL FAMILY EDUCATION LOAN LIQUIDATING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 091-0230-0-1-502	2014 actual	2015 est.	2016 est.
Obligations by program activity:			
0101 Interest benefits, net of origination fees	3	3	3
0103 Default claims	45	35	29
0104 Death, disability, and bankruptcy claims	16	12	11
0105 Contract collection costs	33	26	22
0191 Subtotal, Stafford loans	97	76	65
0201 Default claims	6	6	5
0202 Death, disability, and bankruptcy claims	2	5	4
0205 Contract collection costs	4	5	4
0291 Subtotal, PLUS/SLS loans	12	16	13
0900 Total new obligations	109	92	78
Budgetary resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	113	109	
1021 Recoveries of prior year unpaid obligations	6		
1022 Capital transfer of unobligated balances to general fund	-119	-109	
Budget authority:			
Spending authority from offsetting collections, mandatory:			
1800 Collected	357	298	254
1820 Capital transfer of spending authority from offsetting collections to general fund	-139	-206	-176
1850 Spending auth from offsetting collections, mand (total)	218	92	78
1900 Budget authority (total)	218	92	78
1930 Total budgetary resources available	218	92	78
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	109		
Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	35	39	39
3010 Obligations incurred, unexpired accounts	109	92	78
3020 Outlays (gross)	-99	-92	-78
3040 Recoveries of prior year unpaid obligations, unexpired	-6		
3050 Unpaid obligations, end of year	39	39	39
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	35	39	39
3200 Obligated balance, end of year	39	39	39
Budget authority and outlays, net:			
Mandatory:			
4090 Budget authority, gross	218	92	78
Outlays, gross:			
4100 Outlays from new mandatory authority	99	55	78
4101 Outlays from mandatory balances		37	
4110 Outlays, gross (total)	99	92	78
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4123 Fed collections on defaulted loans, Stafford	-142	-82	-70
4123 Fed collections on bankruptcies, Stafford		-3	-3
4123 Offsets against Federal tax refunds, Stafford		-88	-75
4123 Reimbursements from guaranty agencies, Stafford	-162	-61	-52
4123 Other collections, Stafford	-16	-18	-15
4123 Federal collections on defaulted loans, PLUS/SLS	-17	-25	-21
4123 Federal collections on bankruptcies, PLUS/SLS		-1	-1
4123 Offsets against Federal tax refunds, PLUS/SLS		-7	-6
4123 Reimbursements from guaranty agencies, PLUS/SLS	-20	-13	-11
4130 Offsets against gross budget authority and outlays (total)	-357	-298	-254
4160 Budget authority, net (mandatory)	-139	-206	-176
4170 Outlays, net (mandatory)	-258	-206	-176
4180 Budget authority, net (total)	-139	-206	-176
4190 Outlays, net (total)	-258	-206	-176

Status of Guaranteed Loans (in millions of dollars)

Identification code 091-0230-0-1-502	2014 actual	2015 est.	2016 est.
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STAFFORD LOANS

Cumulative balance of guaranteed loans outstanding:				
2210	Outstanding, start of year	534	494	451
2251	Repayments and prepayments	-16	-13	-10
Adjustments:				
2261	Terminations for default that result in loans receivable	-61	-19	-16
2263	Terminations for default that result in claim payments	-16	-12	-11
2264	Other adjustments, net	53	1	
2290	Outstanding, end of year	494	451	414
Memorandum:				
2299	Guaranteed amount of guaranteed loans outstanding, end of year	469	428	394
Addendum:				
Cumulative balance of defaulted guaranteed loans that result in loans receivable:				
2310	Outstanding, start of year	4,356	4,063	3,930
2331	Disbursements for guaranteed loan claims	61	19	16
2351	Repayments of loans receivable	-191	-121	-103
2361	Write-offs of loans receivable	-16	-15	-15
2364	Other adjustments, net	-147	-16	-14
2390	Outstanding, end of year	4,063	3,930	3,814

PLUS/SLS LOANS				
Cumulative balance of guaranteed loans outstanding:				
2210	Outstanding, start of year	65	59	50
2251	Repayments and prepayments	-2	-2	-1
Adjustments:				
2261	Terminations for default that result in loans receivable	-8	-2	-2
2263	Terminations for default that result in claim payments	-2	-5	-4
2264	Other adjustments, net	6		
2290	Outstanding, end of year	59	50	43
Memorandum:				
2299	Guaranteed amount of guaranteed loans outstanding, end of year	56	48	41
Addendum:				
Cumulative balance of defaulted guaranteed loans that result in loans receivable:				
2310	Outstanding, start of year	684	644	621
2331	Disbursements for guaranteed loan claims	8	2	2
2351	Repayments of loans receivable	-23	-20	-17
2361	Write-offs of loans receivable	-2	-2	-2
2364	Other adjustments, net	-23	-3	-2
2390	Outstanding, end of year	644	621	602

Balance Sheet (in millions of dollars)

Identification code 091-0230-0-1-502		2013 actual	2014 actual
ASSETS:			
1101	Federal assets: Fund balances with Treasury	148	148
1701	Defaulted guaranteed loans, gross	5,040	4,707
1702	Interest receivable	5,563	5,809
1703	Allowance for estimated uncollectible loans and interest (-)	-8,356	-8,586
1799	Value of assets related to loan guarantees	2,247	1,930
1999	Total assets	2,395	2,078
LIABILITIES:			
2104	Federal liabilities: Resources payable to Treasury	2,375	2,050
Non-Federal liabilities:			
2201	Accounts payable	5	1
2204	Liabilities for loan guarantees	15	27
2999	Total liabilities	2,395	2,078
4999	Total liabilities and net position	2,395	2,078

Object Classification (in millions of dollars)

Identification code 091-0230-0-1-502		2014 actual	2015 est.	2016 est.
Direct obligations:				
33.0	Investments and loans	87	72	60
41.0	Grants, subsidies, and contributions	3	3	3
42.0	Insurance claims and indemnities	19	17	15
99.9	Total new obligations	109	92	78

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 091-0217-4-1-502		2014 actual	2015 est.	2016 est.
Direct loan levels supportable by subsidy budget authority:				
115001	Federal Perkins Loans			4,684
Direct loan subsidy (in percent):				
132001	Federal Perkins Loans			-18.72
Direct loan subsidy budget authority:				
133001	Federal Perkins Loans			-877
Direct loan subsidy outlays:				
134001	Federal Perkins Loans			-418

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

Program and Financing (in millions of dollars)

Identification code 091-4574-4-3-502		2014 actual	2015 est.	2016 est.
Obligations by program activity:				
Credit program obligations:				
0710	Direct loan obligations			4,684
0713	Payment of interest to Treasury			43
0740	Negative subsidy obligations			877
0900	Total new obligations			5,604
Budgetary resources:				
Financing authority:				
Borrowing authority, mandatory:				
1400	Borrowing authority			5,581
1440	Borrowing authority, mandatory (total)			5,581
1800	Spending authority from offsetting collections, mandatory: Collected			23
1850	Spending auth from offsetting collections, mand (total)			23
1900	Budget authority (total)			5,604
1930	Total budgetary resources available			5,604
Change in obligated balance:				
Unpaid obligations:				
3010	Obligations incurred, unexpired accounts			5,604
3020	Outlays (gross)			-2,691
3050	Unpaid obligations, end of year			2,913
Memorandum (non-add) entries:				
3200	Obligated balance, end of year			2,913

Financing authority and disbursements, net:

Mandatory:				
4090	Budget authority, gross			5,604
Financing disbursements:				
4110	Outlays, gross (total)			2,691
Offsets against gross financing authority and disbursements:				
Offsetting collections (collected) from:				
4123	Payment of principal			-1
4123	Origination fees			-22
4130	Offsets against gross budget authority and outlays (total)			-23
4160	Budget authority, net (mandatory)			5,581
4170	Outlays, net (mandatory)			2,668
4180	Budget authority, net (total)			5,581
4190	Outlays, net (total)			2,668

Status of Direct Loans (in millions of dollars)

Identification code 091-4574-4-3-502		2014 actual	2015 est.	2016 est.
Position with respect to appropriations act limitation on obligations:				
1111	Direct loan obligations from current-year authority			4,684
1150	Total direct loan obligations			4,684
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year			
1231	Disbursements: Direct loan disbursements			2,231
1251	Repayments: Repayments and prepayments			-1

FEDERAL PERKINS LOAN FINANCING ACCOUNT—Continued
Status of Direct Loans—Continued

Identification code 091-4574-4-3-502	2014 actual	2015 est.	2016 est.
1261 Adjustments: Capitalized interest			
1264 Write-offs for default: Other adjustments, net (+ or -)			
1290 Outstanding, end of year			2,230

PERKINS LOAN ASSETS

Program and Financing (in millions of dollars)

Identification code 091-0219-0-1-502	2014 actual	2015 est.	2016 est.
Budgetary resources:			
Budget authority:			
Spending authority from offsetting collections, mandatory:			
1800 Collected			269
1820 Capital transfer of spending authority from offsetting collections to general fund			-269
Budget authority and outlays, net:			
Mandatory:			
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4123 Non-Federal sources			-269
4180 Budget authority, net (total)			-269
4190 Outlays, net (total)			-269

This account presents offsetting collections resulting from the scheduled end of the Federal Perkins loan program after 2015.

HEALTH EDUCATION ASSISTANCE LOANS PROGRAM ACCOUNT

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

Identification code 091-0247-0-1-552	2014 actual	2015 est.	2016 est.
Guaranteed loan reestimates:			
235001 HEAL Loan Guarantee		-19	

Consistent with the Consolidated Appropriations Act, 2014 (P.L. 113-76), the Health Education Assistance Loans (HEAL) program was transferred to the Department of Education from the Department of Health and Human Services in fiscal year 2014. The Department of Education assumed responsibility for the program and the authority to administer, service, collect, and enforce the program. In addition, the functions, assets, and liabilities of the Secretary of Health and Human Services that are associated with the HEAL program were permanently transferred to the Secretary of Education.

The HEAL program guarantees loans from private lenders to health professions students to pay for the costs of their training. As required by the Federal Credit Reform Act of 1990, this account records the subsidy costs associated with HEAL loan guarantees committed in 1992 and beyond (including modifications of HEAL loan guarantees that resulted from obligations or commitments in any year), as well as administrative expenses of the program.

HEALTH EDUCATION ASSISTANCE LOANS FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 091-4300-0-3-552	2014 actual	2015 est.	2016 est.
Obligations by program activity:			
Credit program obligations:			
0711 Default claim payments on principal	1	12	12
0742 Downward reestimate paid to receipt account		8	
0743 Interest on downward reestimates		10	
0900 Total new obligations	1	30	12

Budgetary resources:

Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1		69	45
1011 Unobligated balance transfer from other acct [075-4304]	62		
1050 Unobligated balance (total)	62	69	45
Financing authority:			
Spending authority from offsetting collections, mandatory:			
1800 Collected	3	6	6
1811 Spending authority from offsetting collections transferred from other accounts [075-4304]	5		
1850 Spending auth from offsetting collections, mand (total)	8	6	6
1930 Total budgetary resources available	70	75	51
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	69	45	39

Change in obligated balance:

Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1			18
3010 Obligations incurred, unexpired accounts	1	30	12
3020 Financing disbursements (gross)	-1	-12	-12
3050 Unpaid obligations, end of year		18	18
Memorandum (non-add) entries:			
3100 Obligated balance, start of year			18
3200 Obligated balance, end of year		18	18

Financing authority and disbursements, net:

Mandatory:			
4090 Financing authority, gross	8	6	6
Financing disbursements:			
4110 Financing disbursements, gross	1	12	12
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4122 Interest on uninvested funds	-1	-3	-3
4123 Non-Federal sources	-2	-3	-3
4130 Offsets against gross financing auth and disbursements (total)	-3	-6	-6
4160 Financing authority, net (mandatory)	5		
4170 Financing disbursements, net (mandatory)	-2	6	6
4180 Financing authority, net (total)	5		
4190 Financing disbursements, net (total)	-2	6	6

Status of Guaranteed Loans (in millions of dollars)

Identification code 091-4300-0-3-552	2014 actual	2015 est.	2016 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		331	316
2251 Repayments and prepayments	-15	-3	-16
Adjustments:			
2261 Terminations for default that result in loans receivable	-1	-9	-9
2263 Terminations for default that result in claim payments	-1	-3	-3
2264 Other adjustments, net	348		
2290 Outstanding, end of year	331	316	288
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	309	281	281
Addendum:			
Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310 Outstanding, start of year		192	198
2331 Disbursements for guaranteed loan claims	1	9	9
2351 Repayments and prepayments	-1	-3	-3
2361 Write-offs of loans receivable			
2364 Other adjustments, net	192		
2390 Outstanding, end of year	192	198	204

HEALTH EDUCATION ASSISTANCE LOANS LIQUIDATING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 091-4299-0-3-552	2014 actual	2015 est.	2016 est.
Obligations by program activity:			
Credit program obligations:			
0713 Payment of interest to Treasury		2	2
Budgetary resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1		9	
1022 Capital transfer of unobligated balances to general fund		-9	
Budget authority:			
Appropriations, mandatory:			
1200 Appropriation		1	1
1221 Appropriations transferred from other acct [075-4305]	1		
1260 Appropriations, mandatory (total)	1	1	1
Spending authority from offsetting collections, mandatory:			
1800 Collected	2	10	10
1811 Spending authority from offsetting collections transferred from other accounts [075-4305]	6		
1820 Capital transfer of spending authority from offsetting collections to general fund		-9	-9
1850 Spending auth from offsetting collections, mand (total)	8	1	1
1900 Budget authority (total)	9	2	2
1930 Total budgetary resources available	9	2	2
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	9		
Change in obligated balance:			
Unpaid obligations:			
3010 Obligations incurred, unexpired accounts		2	2
3020 Outlays (gross)		-2	-2
Budget authority and outlays, net:			
Mandatory:			
4090 Budget authority, gross	9	2	2
Outlays, gross:			
4100 Outlays from new mandatory authority		2	2
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4123 Non-Federal sources	-2	-10	-10
4180 Budget authority, net (total)	7	-8	-8
4190 Outlays, net (total)	-2	-8	-8

Status of Guaranteed Loans (in millions of dollars)

Identification code 091-4299-0-3-552	2014 actual	2015 est.	2016 est.
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year		47	38
2251 Repayments and prepayments	-2	-8	-8
Adjustments:			
2261 Terminations for default that result in loans receivable		-1	-1
2264 Other adjustments, net	49		
2290 Outstanding, end of year	47	38	29
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	37	28	28
Addendum:			
Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310 Outstanding, start of year		329	304
2331 Disbursements for guaranteed loan claims		3	3
2351 Repayments of loans receivable	-2	-7	-7
2361 Write-offs of loans receivable		-21	-21
2364 Other adjustments, net	331		
2390 Outstanding, end of year	329	304	279

Balance Sheet (in millions of dollars)

Identification code 091-4299-0-3-552	2013 actual	2014 actual
ASSETS:		
1101 Federal assets: Fund balances with Treasury		6
1701 Defaulted guaranteed loans, gross		329
1999 Total assets		335

LIABILITIES:

2207 Non-Federal liabilities: Other		335
4999 Total liabilities and net position		335

Object Classification (in millions of dollars)

Identification code 091-4299-0-3-552	2014 actual	2015 est.	2016 est.
Direct obligations:			
33.0 Investments and loans		1	1
42.0 Insurance claims and indemnities		1	1
99.9 Total new obligations		2	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, **【\$573,935,000】 \$675,883,000**, which shall remain available through September 30, **【2016】 2017: Provided**, That funds available to carry out section 208 of the Educational Technical Assistance Act may be used to link Statewide elementary and secondary data systems with early childhood, postsecondary, and workforce data systems, or to further develop such systems: *Provided further*, That up to \$6,000,000 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: *Provided further*, That \$137,235,000 shall be for carrying out activities authorized by the National Assessment of Educational Progress Authorization Act. (Department of Education Appropriations Act, 2015.)

Program and Financing (in millions of dollars)

Identification code 091-1100-0-1-503	2014 actual	2015 est.	2016 est.
Obligations by program activity:			
0001 Research, development, and dissemination	178	180	202
0002 Statistics	99	103	125
0003 Regional educational laboratories	60	54	54
0004 National Assessment	133	129	150
0005 National Assessment Governing Board	6	8	8
0006 Research in special education	54	54	54
0007 Statewide longitudinal data systems	33	35	70
0008 Special education studies and evaluations	14	11	13
0100 Total direct program	577	574	676
0799 Total direct obligations	577	574	676
0801 Institute of Education Sciences (Reimbursable)	3		
0900 Total new obligations	580	574	676
Budgetary resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	43	46	48
1021 Recoveries of prior year unpaid obligations	3		
1050 Unobligated balance (total)	46	46	48
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	577	574	676
1160 Appropriation, discretionary (total)	577	574	676
Spending authority from offsetting collections, discretionary:			
1700 Collected	4	2	2
1701 Change in uncollected payments, Federal sources	-1		
1750 Spending auth from offsetting collections, disc (total)	3	2	2
1900 Budget authority (total)	580	576	678
1930 Total budgetary resources available	626	622	726
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	46	48	50
Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	812	713	776
3010 Obligations incurred, unexpired accounts	580	574	676

INSTITUTE OF EDUCATION SCIENCES—Continued
Program and Financing—Continued

Identification code 091–1100–0–1–503		2014 actual	2015 est.	2016 est.
3020	Outlays (gross)	-672	-511	-544
3040	Recoveries of prior year unpaid obligations, unexpired	-3		
3041	Recoveries of prior year unpaid obligations, expired	-4		
3050	Unpaid obligations, end of year	713	776	908
	Uncollected payments:			
3060	Uncollected pymts, Fed sources, brought forward, Oct 1	-3	-1	-1
3070	Change in uncollected pymts, Fed sources, unexpired	1		
3071	Change in uncollected pymts, Fed sources, expired	1		
3090	Uncollected pymts, Fed sources, end of year	-1	-1	-1
	Memorandum (non-add) entries:			
3100	Obligated balance, start of year	809	712	775
3200	Obligated balance, end of year	712	775	907
Budget authority and outlays, net:				
Discretionary:				
4000	Budget authority, gross	580	576	678
	Outlays, gross:			
4010	Outlays from new discretionary authority	94	96	112
4011	Outlays from discretionary balances	578	415	432
4020	Outlays, gross (total)	672	511	544
	Offsets against gross budget authority and outlays:			
	Offsetting collections (collected) from:			
4030	Federal sources	-5	-2	-2
	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)	2		
4070	Budget authority, net (discretionary)	577	574	676
4080	Outlays, net (discretionary)	667	509	542
4180	Budget authority, net (total)	577	574	676
4190	Outlays, net (total)	667	509	542

Research and Statistics:

Research, development, and dissemination.—Funds support a diverse portfolio of research, development, and dissemination activities that provide parents, teachers, and schools with evidence-based information on effective educational practices. Funds requested in 2016 would be used to sustain and expand research and evaluation efforts across all dimensions of education, including increased support for early childhood research, the What Works Clearinghouse, and low-cost quick-turnaround randomized control trials.

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 education statistics at all levels, from preschool through postsecondary and adult education, including statistics on international education activities. The 2016 request would allow NCES to support a wide range of activities, including initiating a new round of the Early Childhood Longitudinal Study Birth Cohort, collecting administrative National Postsecondary Student Aid Survey (NPSAS) data every two years, and developing a study on college loan performance.

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 ongoing National Assessment of Educational Progress (NAEP) and the National Assessment Governing Board (NAGB). NAEP administers assessments to samples of students in order to gather reliable information about educational attainment in important academic areas. NAGB is responsible for formulating NAEP policy; developing student achievement levels; and selecting, consistent with the requirements of the statute, the subjects to be assessed. The request for 2016 would provide support for the current NAEP schedule of assessments, which include transitioning the grades 4 and 8 national and State assessments in

reading and mathematics to a digital-based platform and expanding the number of districts for the Trial Urban District Assessment (TUDA).

Research in special education.—Funds support research to build the evidence base on improving special education and early intervention services and outcomes for infants, toddlers, and children with disabilities.

Statewide data systems.—Funds support competitive grant awards to States to foster the design, development, implementation, and use of longitudinal data systems. In 2016, funding would support linking K-12 systems to systems that include early childhood, postsecondary, and workforce information, or further developing such systems. In addition, funds 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 outcomes for infants, toddlers, and children with disabilities.

Object Classification (in millions of dollars)

Identification code 091–1100–0–1–503		2014 actual	2015 est.	2016 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	28	5	5
25.2	Other services from non-Federal sources	218		
25.3	Other goods and services from Federal sources	3		
25.5	Research and development contracts	98		
41.0	Grants, subsidies, and contributions	227	566	668
99.0	Direct obligations	576	573	675
99.0	Reimbursable obligations	3	1	1
99.5	Below reporting threshold	1		
99.9	Total new obligations	580	574	676

Employment Summary

Identification code 091–1100–0–1–503		2014 actual	2015 est.	2016 est.
1001	Direct civilian full-time equivalent employment	12	15	15

DEPARTMENTAL MANAGEMENT

Federal Funds

DEPARTMENTAL MANAGEMENT

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, **[\$411,000,000]** \$474,089,000, of which up to **[\$1,000,000]** \$13,830,000, to remain available until expended, shall be for relocation of, and renovation of buildings occupied by, Department staff: *Provided, That up to \$2,000,000 shall be for necessary expenses to establish and deploy a Digital Service team: Provided further, That to support the Department's activities related to implementation of the Digital Accountability and Transparency Act (DATA Act; Public Law 113–31; 31 U.S.C. 6101 note), up to \$3,325,000, to include changes in business processes, workforce, or information technology to support high quality, transparent Federal spending information, of which up to \$325,000 shall be available to support the Department's implementation of a uniform procurement instrument identifier as described in 48 C.F.R. subpart 4.16. (Department of Education Appropriations Act, 2015.)*

Special and Trust Fund Receipts (in millions of dollars)

Identification code 091–0800–0–1–503		2014 actual	2015 est.	2016 est.
0100	Balance, start of year			1
Receipts:				
0220	Contributions	2	1	1
0400	Total: Balances and collections	2	1	2

Appropriations:			
0500	Program Administration	-2	
0799	Balance, end of year	1	2

Program and Financing (in millions of dollars)

Identification code 091-0800-0-1-503	2014 actual	2015 est.	2016 est.	
Obligations by program activity:				
0001	Program administration	426	411	474
0801	Reimbursable program activity	3		
0900	Total new obligations	429	411	474
Budgetary resources:				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1	14	13	16
1001	Discretionary unobligated balance brought fwd, Oct 1	14	13	
Budget authority:				
Appropriations, discretionary:				
1100	Appropriation	423	411	474
1160	Appropriation, discretionary (total)	423	411	474
Appropriations, mandatory:				
1201	Appropriation (special or trust fund)	2		
1260	Appropriations, mandatory (total)	2		
Spending authority from offsetting collections, discretionary:				
1700	Collected	3	3	3
1750	Spending auth from offsetting collections, disc (total)	3	3	3
1900	Budget authority (total)	428	414	477
1930	Total budgetary resources available	442	427	493
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year	13	16	19
Change in obligated balance:				
Unpaid obligations:				
3000	Unpaid obligations, brought forward, Oct 1	133	121	102
3010	Obligations incurred, unexpired accounts	429	411	474
3011	Obligations incurred, expired accounts	1		
3020	Outlays (gross)	-435	-430	-446
3041	Recoveries of prior year unpaid obligations, expired	-7		
3050	Unpaid obligations, end of year	121	102	130
Uncollected payments:				
3060	Uncollected pymts, Fed sources, brought forward, Oct 1	-1	-1	-1
3090	Uncollected pymts, Fed sources, end of year	-1	-1	-1
Memorandum (non-add) entries:				
3100	Obligated balance, start of year	132	120	101
3200	Obligated balance, end of year	120	101	129
Budget authority and outlays, net:				
Discretionary:				
4000	Budget authority, gross	426	414	477
Outlays, gross:				
4010	Outlays from new discretionary authority	346	330	365
4011	Outlays from discretionary balances	87	100	81
4020	Outlays, gross (total)	433	430	446
Offsets against gross budget authority and outlays:				
Offsetting collections (collected) from:				
4030	Federal sources	-3	-3	-3
Mandatory:				
4090	Budget authority, gross	2		
Outlays, gross:				
4100	Outlays from new mandatory authority	2		
4180	Budget authority, net (total)	425	411	474
4190	Outlays, net (total)	432	427	443

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.

Pursuant to Section 491 of the Workforce Innovation and Opportunity Act (P.L. 113-128), the Department of Education will transfer necessary administrative expenses to the Department of Health and Human Services in fiscal year 2015 for functions being transferred per Section 491. Funding for these administrative expenses is not being requested in fiscal year 2016.

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

Object Classification (in millions of dollars)

Identification code 091-0800-0-1-503	2014 actual	2015 est.	2016 est.	
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent	186	201	215
11.3	Other than full-time permanent	24	7	8
11.5	Other personnel compensation	2	2	2
11.9	Total personnel compensation	212	210	225
12.1	Civilian personnel benefits	61	62	68
21.0	Travel and transportation of persons	4	3	4
23.1	Rental payments to GSA	41	42	45
23.3	Communications, utilities, and miscellaneous charges	2	1	1
24.0	Printing and reproduction	1	1	1
25.1	Advisory and assistance services	4	1	7
25.2	Other services from non-Federal sources	21	17	29
25.3	Other goods and services from Federal sources	20	18	20
25.7	Operation and maintenance of equipment	57	54	64
26.0	Supplies and materials	1	1	1
31.0	Equipment	1		
32.0	Land and structures	1	1	9
99.0	Direct obligations	426	411	474
99.0	Reimbursable obligations	3		
99.9	Total new obligations	429	411	474

Employment Summary

Identification code 091-0800-0-1-503	2014 actual	2015 est.	2016 est.	
1001	Direct civilian full-time equivalent employment	1,898	1,861	1,961

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, **[\$100,000,000]** \$130,691,000. (Department of Education Appropriations Act, 2015.)

Program and Financing (in millions of dollars)

Identification code 091-0700-0-1-751	2014 actual	2015 est.	2016 est.	
Obligations by program activity:				
0001	Civil rights	98	100	131
Budgetary resources:				
Budget authority:				
Appropriations, discretionary:				
1100	Appropriation	98	100	131
1160	Appropriation, discretionary (total)	98	100	131
1930	Total budgetary resources available	98	100	131
Change in obligated balance:				
Unpaid obligations:				
3000	Unpaid obligations, brought forward, Oct 1	16	14	15
3010	Obligations incurred, unexpired accounts	98	100	131
3020	Outlays (gross)	-99	-99	-126

OFFICE FOR CIVIL RIGHTS—Continued
Program and Financing—Continued

Identification code 091-0700-0-1-751	2014 actual	2015 est.	2016 est.
3041 Recoveries of prior year unpaid obligations, expired	-1		
3050 Unpaid obligations, end of year	14	15	20
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	16	14	15
3200 Obligated balance, end of year	14	15	20
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	98	100	131
Outlays, gross:			
4010 Outlays from new discretionary authority	88	86	113
4011 Outlays from discretionary balances	11	13	13
4020 Outlays, gross (total)	99	99	126
4180 Budget authority, net (total)	98	100	131
4190 Outlays, net (total)	99	99	126

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 091-0700-0-1-751	2014 actual	2015 est.	2016 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	55	57	78
11.3 Other than full-time permanent	2	2	2
11.9 Total personnel compensation	57	59	80
12.1 Civilian personnel benefits	17	18	25
21.0 Travel and transportation of persons	1		1
23.1 Rental payments to GSA	8	8	8
25.2 Other services from non-Federal sources	2	1	1
25.3 Other goods and services from Federal sources	2	2	2
25.7 Operation and maintenance of equipment	10	11	13
99.0 Direct obligations	97	99	130
99.5 Below reporting threshold	1	1	1
99.9 Total new obligations	98	100	131

Employment Summary

Identification code 091-0700-0-1-751	2014 actual	2015 est.	2016 est.
1001 Direct civilian full-time equivalent employment	544	544	754

OFFICE OF INSPECTOR GENERAL

For expenses necessary for the Office of Inspector General, as authorized by section 212 of the Department of Education Organization Act, **【\$57,791,000】** \$59,256,000. (Department of Education Appropriations Act, 2015.)

Program and Financing (in millions of dollars)

Identification code 091-1400-0-1-751	2014 actual	2015 est.	2016 est.
Obligations by program activity:			
0001 Inspector General	56	59	59
Budgetary resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1		1	

Budget authority:

Identification code	2014 actual	2015 est.	2016 est.
Appropriations, discretionary:			
1100 Appropriation	58	58	59
1160 Appropriation, discretionary (total)	58	58	59
1930 Total budgetary resources available	58	59	59
Memorandum (non-add) entries:			
1940 Unobligated balance expiring	-1		
1941 Unexpired unobligated balance, end of year	1		

Change in obligated balance:

Identification code	2014 actual	2015 est.	2016 est.
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	11	10	13
3010 Obligations incurred, unexpired accounts	56	59	59
3020 Outlays (gross)	-56	-56	-58
3041 Recoveries of prior year unpaid obligations, expired	-1		
3050 Unpaid obligations, end of year	10	13	14
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	11	10	13
3200 Obligated balance, end of year	10	13	14

Budget authority and outlays, net:

Identification code	2014 actual	2015 est.	2016 est.
Discretionary:			
4000 Budget authority, gross	58	58	59
Outlays, gross:			
4010 Outlays from new discretionary authority	48	47	48
4011 Outlays from discretionary balances	8	9	10
4020 Outlays, gross (total)	56	56	58
4180 Budget authority, net (total)	58	58	59
4190 Outlays, net (total)	56	56	58

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.

Object Classification (in millions of dollars)

Identification code 091-1400-0-1-751	2014 actual	2015 est.	2016 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	26	29	29
11.5 Other personnel compensation	2		
11.9 Total personnel compensation	28	29	29
12.1 Civilian personnel benefits	10	11	11
21.0 Travel and transportation of persons	1	2	2
23.1 Rental payments to GSA	5	6	6
25.1 Advisory and assistance services	1	1	1
25.2 Other services from non-Federal sources	2	2	2
25.3 Other goods and services from Federal sources	2	1	1
25.7 Operation and maintenance of equipment	5	5	5
31.0 Equipment	1	1	1
99.0 Direct obligations	55	58	58
99.5 Below reporting threshold	1	1	1
99.9 Total new obligations	56	59	59

Employment Summary

Identification code 091-1400-0-1-751	2014 actual	2015 est.	2016 est.
1001 Direct civilian full-time equivalent employment	249	241	244

HURRICANE EDUCATION RECOVERY

Federal Funds

HURRICANE EDUCATION RECOVERY

Program and Financing (in millions of dollars)

Identification code 091-0013-0-1-500	2014 actual	2015 est.	2016 est.
Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	3		
3020 Outlays (gross)	-2		
3041 Recoveries of prior year unpaid obligations, expired	-1		
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	3		
Budget authority and outlays, net:			
Discretionary:			
Outlays, gross:			
4011 Outlays from discretionary balances	2		
4190 Outlays, net (total)	2		

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

GENERAL FUND RECEIPT ACCOUNTS

(in millions of dollars)

	2014 actual	2015 est.	2016 est.
Offsetting receipts from the public:			
091-271810 Federal Family Education Loan Program, Negative Subsidies	4,020		
091-279830 Health Education Assistance Loans, Downward Reestimates of Subsidies		19	
091-279430 TEACH Grant Program, Downward Reestimates of Subsidies	13	31	
091-274130 College Housing and Academic Facilities Loan, Downward Reestimates of Subsidies	24	83	
091-278130 Federal Direct Student Loan Program, Downward Reestimates of Subsidies	9,460	234	
091-271830 Federal Family Education Loan Program, Downward Reestimates of Subsidies	3,925	4,656	
091-143500 General Fund Proprietary Interest Receipts, not Otherwise Classified	1	1	1
091-291500 Repayment of Loans, Capital Contributions, Higher Education Activities	38	25	25
091-322000 All Other General Fund Proprietary Receipts Including Budget Clearing Accounts	99	47	47
091-278110 Federal Direct Student Loan Program, Negative Subsidies	22,091	7,174	9,311
Legislative proposal, subject to PAYGO			1,143
091-278310 Federal Perkins Loan, Negative Subsidies			418
General Fund Offsetting receipts from the public	39,671	12,270	10,945
Intragovernmental payments:			
091-388500 Undistributed Intragovernmental Payments and Receivables from Cancelled Accounts	-29		
General Fund Intragovernmental payments	-29		

GENERAL PROVISIONS

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 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 ESEA.

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 ["2015"] "2016" for "2009".

SEC. 307. The Secretary, in consultation with the Director of the Institute of Education Sciences, may reserve funds under section 9601 of the ESEA (subject to the limitations in [subsections (b) and] subsection (c) of that section) in order to carry out activities authorized under [paragraphs (1) and (2) of] subsection (a) of that section with respect to any ESEA program funded in this Act and without respect to the source of funds for those activities: *Provided*, That the Secretary shall reserve not more than 0.1 percent of the total amount of funds appropriated for part A of title I of the ESEA for activities under this section: *Provided further*, That high-quality evaluations of ESEA programs shall be prioritized, before using funds for any other evaluation activities: *Provided further*, That any funds reserved under this section shall be available from July 1, [2015] 2016 through September 30, [2016] 2017: *Provided further*, That not later than 10 days prior to the initial obligation of funds reserved under this section, the Secretary, in consultation with the Director, shall submit an evaluation plan to the Senate Committees on Appropriations and Health, Education, Labor, and Pensions and the House Committees on Appropriations and Education and the Workforce which identifies the source and amount of funds reserved under this section, the impact on program grantees if funds are withheld, the programs to be evaluated with such funds, how ESEA programs will be regularly evaluated, and how findings from evaluations completed under this section will be widely disseminated.

SEC. 308. The Secretary of Education shall—

(1) modify the Free Application for Federal Student Aid described in section 483 of the HEA so that the Free Application for Federal Student Aid contains an individual box for the purpose of identifying students who are foster youth or were in the foster care system; and

(2) utilize such identification as a tool to notify students who are foster youth or were in the foster care system of their potential eligibility for Federal student aid, including postsecondary education programs through the John H. Chafee Foster Care Independence Program and any other Federal programs under which such students may be eligible to receive assistance.]

SEC. 309. (a) STUDENT ELIGIBILITY.—

(1) Subsection (d) of section 484 of the HEA is amended to read as follows: "(d) STUDENTS WHO ARE NOT HIGH SCHOOL GRADUATES.—

(1) STUDENT ELIGIBILITY.—In order for a student who does not have a certificate of graduation from a school providing secondary education, or the recognized equivalent of such certificate, to be eligible for any assistance under subparts 1, 3, and 4 of part A and parts B, C, D, and E of this title, the student shall meet the requirements of one of the following subparagraphs:

(A) The student is enrolled in an eligible career pathway program and meets one of the following standards:

(i) The student shall take an independently administered examination and shall achieve a score, specified by the Secretary, demonstrating that such student can benefit from the education or training being offered. Such examination shall be approved by the Secretary on the basis of compliance with such standards for development, administration, and scoring as the Secretary may prescribe in regulations.

(ii) The student shall be determined as having the ability to benefit from the education or training in accordance with such process as the State shall prescribe. Any such process described or approved by a State for the purposes of this section shall be effective 6 months after the date of submission to the Secretary unless the Secretary disapproves such process. In determining whether to approve or disapprove such process, the Secretary shall take into account the effectiveness of such process

in enabling students without secondary school diplomas or the equivalent thereof to benefit from the instruction offered by institutions utilizing such process, and shall also take into account the cultural diversity, economic circumstances, and educational preparation of the populations served by the institutions.

(iii) The student shall be determined by the institution of higher education as having the ability to benefit from the education or training offered by the institution of higher education upon satisfactory completion of 6 credit hours or the equivalent coursework that are applicable toward a degree or certificate offered by the institution of higher education.

(B) The student has completed a secondary school education in a home school setting that is treated as a home school or private school under State law.

(2) **ELIGIBLE CAREER PATHWAY PROGRAM.**—In this subsection, the term "eligible career pathway program" means a program that—

(A) concurrently enrolls participants in connected adult education and eligible postsecondary programs;

(B) provides counseling and supportive services to identify and attain academic and career goals;

(C) provides structured course sequences that—

(i) are articulated and contextualized; and

(ii) allow students to advance to higher levels of education and employment;

(D) provides opportunities for acceleration to attain recognized postsecondary credentials, including degrees, industry relevant certifications, and certificates of completion of apprenticeship programs;

(E) is organized to meet the needs of adults;

(F) is aligned with the education and skill needs of the regional economy; and

(G) has been developed and implemented in collaboration with partners in business, workforce development, and economic development."

(2) The amendment made by paragraph (1) shall take effect as if such amendment was enacted on June 30, 2014, and shall apply to students who are enrolled or who first enroll in an eligible program of study on or after July 1, 2014.

(b) Section 401 (b)(2)(A)(ii) of the HEA is amended by inserting after "year" and before the comma "except that a student eligible only under 484(d)(1)(A) who first enrolls in an eligible program of study on or after July 1, 2015 shall not be eligible for the amount of the increase calculated under paragraph (7)(B)".

SEC. 310.308. (a) An institution of higher education that maintains an endowment fund supported with funds appropriated for title III or V of the HEA for fiscal year **[2015]** 2016 or any prior fiscal year may use the income from that fund to award scholarships to students, subject to the limitation in section 331(c)(3)(B)(i) of the HEA. The use of such income for such purposes, prior to the enactment of this Act, shall be considered to have been an allowable use of that income, subject to that limitation.

(b) Subsection (a) shall be in effect until titles III and V of the HEA are reauthorized.

[SEC. 311. In making awards under section 402D of the HEA with funds appropriated by this Act, the Secretary shall—

(1) notwithstanding any other provision of law, publish a notice inviting applications for new awards no later than December 18, 2014; and

(2) make all awards by August 10, 2015.]

SEC. 309. (a) *The Secretary may reserve not more than 0.5 percent from each appropriation made available in this Act for the accounts identified in subsection (d), with the exception of the appropriation for subpart 1 of part A of title IV of the Higher Education Act of 1965, in order to carry out evaluations, conduct evidence-building activities, or provide technical assistance related to any of the programs or activities that are funded under such accounts.*

(b) *Any funds reserved under this section shall be available for obligation through September 30, 2017.*

(c) *If, under any other provision of law, funds are authorized to be reserved or used for evaluation activities with respect to a program or project, the Secretary may not reserve additional funds under this section.*

(d) *The accounts referred to in subsection (a) are: "Rehabilitation Services", "Career, Technical, and Adult Education", "Student Financial Assistance", "Student Aid Administration", and "Higher Education".*

SEC. 310. *Section 487 of the Higher Education Act of 1965 (20 U.S.C. 1094) is amended—*

(a) *in subsection (a)(24)—*

(1) *by striking "In the" and inserting the following: "(A) In the";*

(2) *by striking "funds provided under this title, as calculated in accordance with subsection (d)(1)" and inserting "Federal funds, as calculated in accordance with subparagraph (B) of this paragraph and subsection (d)(1)"; and*

(3) *by adding at the end the following—*

"(B) **FEDERAL FUNDS.**—In this paragraph, the term 'Federal funds' means any Federal financial assistance provided, under this Act or any other Federal law, through a grant, contract, subsidy, loan, guarantee, insurance, or other means to a proprietary institution, including Federal financial assistance that is disbursed or delivered to an institution or on behalf of a student or to a student to be used to attend the institution, except that such term shall not include any monthly housing stipend provided under chapter 33 of title 38, United States Code."

SEC. 311. **REAPPROPRIATION OF MANDATORY SAVINGS.**—Section 401(b)(7)(A)(iv) of the HEA (20 U.S.C. 1070a(b)(7)(A)(iv)) is amended to read as follows—

"(iv) to carry out this section—

"(I) \$13,500,000,000 for fiscal year 2011;

"(II) \$13,795,000,000 for fiscal year 2012;

"(III) \$7,587,000,000 for fiscal year 2013;

"(IV) \$588,000,000 for fiscal year 2014;

"(V) \$0 for fiscal year 2015;

"(VI) \$316,264 for fiscal year 2016;

"(VII) \$1,601,300,000 for fiscal year 2017;

"(VIII) \$1,382,000,000 for fiscal year 2018;

"(IX) \$ 1,409,000,000 for fiscal year 2019;

"(X) \$ 1,430,000,000 for fiscal year 2020;

"(XI) \$ 1,153,850,000 for fiscal year 2021 and each succeeding fiscal year."

SEC. 312. *Section 420R(r)(f) of the HEA (20 U.S.C. 1070h) is amended to strike ", and there are appropriated,".*

SEC. 313. *Section 481 of the HEA (20 U.S.C. 1088) is amended by adding after subsection (f) the following new subsection—*

"(g) **DEFINITION OF ELIGIBLE VETERAN'S DEPENDENT.**—For the purpose of any program under this title, the term 'eligible veteran's dependent' means a dependent or an independent student—

(1) *whose parent or guardian was a member of the Armed Forces of the United States and died as a result of performing military service in Iraq or Afghanistan after September 11, 2001; and*

(2) *who, at the time of the parent or guardian's death, was—*

(A) *less than 24 years of age; or (B) enrolled at an institution of higher education on a part-time or full-time basis. Subsection 401(b) of the HEA (20 U.S.C. 1070a) is amended by inserting after paragraph (8), the following new paragraph: (9) Eligible Veteran's Dependent. Notwithstanding (b)(2)(A)(iii) and (b)(3), the Secretary shall award the maximum Federal Pell grant for that year to each eligible veteran's dependent to assist in paying the eligible veteran's dependent's cost of attendance at an institution of higher education."*

(Department of Education Appropriations Act, 2015.)